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LEGISLATIVE HISTORY

Public Law 427--79th Congress

Chapter 459--2d Session

H. R. 3611

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DIGEST OF PUBLIC LAW 427

INSPECTION OF PROCESS OR RENOVATED BUTTER MATERIALS. Authorizes the Secretary of Agriculture, through inspectors, to condemn materials intended for use in process or renovated butter and which are unfit for human consumption.

INDEX AND SUMMARY OF HISTORY ON H. R. 3611

June 28, 1945	H. R. 3611 introduced by Rep. Camp and was referred to the House Committee on Ways and Means. Print of the bill as introduced.
February 18, 1946	Hearings: House, H. R. 3611.
February 21, 1946	House Committee reported H. R. 3611 without amendment. Print of the bill as reported. House Report 1595.
March 4, 1946	Debated in House and passed as reported.
March 5, 1946	Referred to the Senate Committee on Finance. Print of the bill as referred.
April 24, 1946	Senate Committee reported H. R. 3611 without amendment. Senate Report 1240. Print of the bill as reported.
June 14, 1946	Discussed in Senate and passed as reported.
June 24, 1946	Approved. Public Law 427.

79TH CONGRESS
1ST SESSION

H. R. 3611

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 1945

Mr. CAMP introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2325 of the Internal Revenue Code, approved
4 February 10, 1939 (53 Stat. 254), is amended to read as
5 follows:

6 "SEC. 2325. INSPECTION OF PROCESS OR RENOVATED
7 BUTTER.

8 "For the purpose of protecting interstate and foreign
9 commerce from process or renovated butter which is unclean,

1 unwholesome, unhealthful, or otherwise unfit for human
2 food—

3 “(a) The Secretary of Agriculture shall, through in-
4 spectors appointed by him, cause inspections to be made of
5 all milk, butter, butter oil, and other ingredients intended for
6 use in the manufacture of process or renovated butter. All
7 ingredients which are found to be putrid or decomposed or
8 which contain organic or inorganic substances which are
9 foreign to such ingredients when properly made, manu-
10 factured, produced, collected, stored, transported, or handled,
11 and which organic or inorganic substances cannot be removed
12 by processing, shall be deemed unfit for use in the manu-
13 facture of process or renovated butter, shall be marked
14 ‘U. S. Inspected and Condemned’, and shall be denatured
15 or destroyed under the supervision of the inspector. All
16 other ingredients shall be marked ‘U. S. Inspected and
17 Passed’, and shall be deemed fit for use in the manufacture
18 of process or renovated butter.

19 “(b) The Secretary of Agriculture shall cause inspec-
20 tions to be made of all process or renovated butter. If such
21 butter is found to be clean, wholesome, healthful, and other-
22 wise fit for human food, it shall be marked ‘U. S. Inspected
23 and Passed’. Process or renovated butter that is found to
24 be unclean, unwholesome, unhealthful, or otherwise unfit

1 for human food shall be denatured or destroyed under the
2 supervision of the inspector.

3 “(c) The Secretary of Agriculture shall cause inspec-
4 tions to be made of all factories wherein process or renovated
5 butter is manufactured to determine the sanitary conditions
6 thereof, and if it is found that the conditions existing in
7 any such factory do not meet the standards prescribed by
8 the Secretary in his regulations, he shall cause inspection
9 to be withdrawn therefrom.

10 “(d) The Secretary of Agriculture is authorized to
11 withdraw inspection from any factory wherein process or
12 renovated butter is made, if the manufacturer shall fail to
13 comply with any of the provisions of this section or with
14 any of the rules and regulations prescribed hereunder.

15 “(e) The Secretary of Agriculture is authorized to make
16 such rules and regulations as he deems necessary for the
17 efficient administration of the provisions of this section, and
18 all inspections hereunder shall be made in such manner as
19 may be prescribed in such regulations. The Secretary of
20 Agriculture may, from time to time, by regulations define
21 the foreign substances and the extent thereof that render
22 the ingredients unfit for use in manufacturing process or
23 renovated butter.

24 “(f) The Secretary of Agriculture shall cause to be

1 ascertained, and he shall report, from time to time, the
2 quantity and quality of all process or renovated butter manu-
3 factured and the character and condition of the materials
4 from which it is made.

5 “(g) No person, firm, or corporation shall forge,
6 counterfeit, simulate, falsely represent, detach, or know-
7 ingly alter, deface, or destroy, or use without proper
8 authority, any of the marks, stamps, labels, or tabs pro-
9 vided for in this section or in any regulations prescribed
10 hereunder by the Secretary of Agriculture for use on process
11 or renovated butter or on wrappers, packages, containers,
12 or cases in which the product is contained, or any certificate
13 in relation thereto.

14 “(h) All process or renovated butter and the packages
15 or containers thereof shall be marked with the words
16 ‘Process Butter’ and by such other marks, labels, or brands,
17 and in such manner, as may be prescribed by the Secretary
18 of Agriculture.

19 “(i) No statement that is false or misleading in any
20 particular shall be placed on or affixed to any wrapper,
21 label, carton, or container of process or renovated butter.

22 “(j) No person, firm, or corporation shall transport,
23 or offer for transportation, or sell or offer for sale, in inter-
24 state or foreign commerce, or in commerce affecting com-
25 merce among the States, any process or renovated butter

1 that has not been inspected and passed and marked, labeled,
2 and branded in accordance with this section and the regula-
3 tions issued hereunder.

4 “(k) The administration and enforcement of the pro-
5 visions of this Act, other than its provisions relating to
6 revenue, but including the seizure and denaturing or destruc-
7 tion of ingredients intended to be used in the manufacture
8 of process or renovated butter and the denaturing or destruc-
9 tion of process or renovated butter, are committed exclusively
10 to the Secretary of Agriculture: *Provided*, That any powers
11 and duties of the Food and Drug Administration of the Fed-
12 eral Security Agency under the Federal Food, Drug, and
13 Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301,
14 and the following), as regards such ingredients before they
15 come into the possession of the manufacturers of process or
16 renovated butter, or as regards such powers and duties in
17 connection with process or renovated butter after it leaves
18 such manufacturers and comes into the hands of wholesale
19 or retail dealers, or others, shall not be affected by this Act.”

20 SEC. 2. Subsection (c) of section 2326 of the Internal
21 Revenue Code (53 Stat. 255) is amended by striking out
22 “shall be punished by a fine of not less than \$50 nor more
23 than \$500 or by imprisonment for not less than one month
24 nor more than six months, or by both said punishments,”
25 and by inserting in lieu thereof the following: “shall be

1 punished by a fine of not more than \$1,000 or by imprison-
2 ment for a period of not more than six months, or by both
3 such fine and imprisonment.”

4 SEC. 3. Section 2327 of the Internal Revenue Code (53
5 Stat. 255) is amended by striking out subsections (b) and
6 (c) of said section.

7 SEC. 4. If any provision of this Act or the application
8 thereof to any person or circumstance is held invalid, the
9 validity of the remainder of the Act and of the application
10 of such provision to other persons or circumstances shall
11 not be affected thereby.

A BILL

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

By Mr. CAMP

JUNE 28, 1945

Referred to the Committee on Ways and Means

PROCESS BUTTER BILL

HEARING
BEFORE THE
COMMITTEE ON WAY AND MEANS
HOUSE OF REPRESENTATIVES
SEVENTY-NINTH CONGRESS
SECOND SESSION
ON

H. R. 3611

A BILL TO AUTHORIZE THE CONDEMNATION OF
MATERIALS WHICH ARE INTENDED FOR USE IN
PROCESS OR RENOVATED BUTTER AND WHICH
ARE UNFIT FOR HUMAN CONSUMPTION,
AND FOR OTHER PURPOSES

FEBRUARY 18, 1946

Printed for the use of the Committee on Ways and Means



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WASHINGTON : 1946

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PROCESS BUTTER BILL

MONDAY, FEBRUARY 18, 1946

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D. C.

The committee met at 10:30 a. m. Hon. Robert L. Doughton (chairman) presiding.

The CHAIRMAN. The committee will please be in order. We will take up first this morning H. R. 3611, a bill introduced by Representative Camp. The Chair asks Mr. Dingell to preside.

Mr. CAMP. Mr. Chairman, this bill was introduced by me at the request of the four butter processors in this country. It is an identical bill with one introduced by Senator George in 1944, and which was passed in the Senate, and which due to the stress of time we never took up over here.

(The bill is as follows:)

[H. R. 3611, 79th Cong., 1st Sess.]

A BILL To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2325 of the Internal Revenue Code, approved February 10, 1939 (53 Stat. 254), is amended to read as follows:

"SEC. 2325. INSPECTION OF PROCESS OR RENOVATED BUTTER

"For the purpose of protecting interstate and foreign commerce from process or renovated butter which is unclean, unwholesome, unhealthful, or otherwise unfit for human food—

"(a) The Secretary of Agriculture shall, through inspectors appointed by him, cause inspections to be made of all milk, butter oil, and other ingredients intended for use in the manufacture of process or renovated butter. All ingredients which are found to be putrid or decomposed or which contain organic or inorganic substances which are foreign to such ingredients when properly made, manufactured, produced, collected, stored, transported, or handled, and which organic or inorganic substances cannot be removed by processing, shall be deemed unfit for use in the manufacture of process or renovated butter, shall be marked 'U. S. Inspected and Condemned', and shall be denatured or destroyed under the supervision of the inspector. All other ingredients shall be marked 'U. S. Inspected and Passed', and shall be deemed fit for use in the manufacture of process or renovated butter.

"(b) The Secretary of Agriculture shall cause inspections to be made of all process or renovated butter. If such butter is found to be clean, wholesome, healthful, and otherwise fit for human food, it shall be marked 'U. S. Inspected and Passed'. Process or renovated butter that is found to be unclean, unwholesome, unhealthful, or otherwise unfit for human food shall be denatured or destroyed under the supervision of the inspector.

"(c) The Secretary of Agriculture shall cause inspections to be made of all factories wherein process or renovated butter is manufactured to determine the sanitary conditions thereof, and if it is found that the conditions existing

in any such factory do not meet the standards prescribed by the Secretary in his regulations, he shall cause inspection to be withdrawn therefrom.

"(d) The Secretary of Agriculture is authorized to withdraw inspection from any factory wherein process or renovated butter is made, if the manufacturer shall fail to comply with any of the provisions of this section or with any of the rules and regulations prescribed hereunder.

"(e) The Secretary of Agriculture is authorized to make such rules and regulations as he deems necessary for the efficient administration of the provisions of this section, and all inspections hereunder shall be made in such manner as may be prescribed in such regulations. The Secretary of Agriculture may, from time to time, by regulations define the foreign substances and the extent thereof that render the ingredients unfit for use in manufacturing process or renovated butter.

"(f) The Secretary of Agriculture shall cause to be ascertained, and he shall report, from time to time, the quantity and quality of all process or renovated butter manufactured and the character and condition of the materials from which it is made.

"(g) No person, firm, or corporation shall forge, counterfeit, simulate, falsely represent, detach, or knowingly alter, deface, or destroy, or use without proper authority, any of the marks, stamps, labels, or tabs provided for in this section or in any regulations prescribed hereunder by the Secretary of Agriculture for use on process or renovated butter or on wrappers, packages, containers, or cases in which the product is contained, or any certificate in relation thereto.

"(h) All process or renovated butter and the packages or containers thereof shall be marked with the words 'Process Butter' and by such other marks, labels, or brands, and in such manner, as may be prescribed by the Secretary of Agriculture.

"(i) No statement that is false or misleading in any particular shall be placed on or affixed to any wrapper, label, carton, or container of process or renovated butter.

"(j) No person, firm, or corporation shall transport, or offer for transportation, or sell or offer for sale, in interstate or foreign commerce, or in commerce affecting commerce among the States, any process or renovated butter that has not been inspected and passed and marked, labeled, and branded in accordance with this section and the regulations issued hereunder.

"(k) The administration and enforcement of the provisions of this Act, other than its provisions relating to revenue, but including the seizure and denaturing or destruction of ingredients intended to be used in the manufacture of process or renovated butter and the denaturing or destruction of process or renovated butter, are committed exclusively to the Secretary of Agriculture: *Provided*, That any powers and duties of the Food and Drug Administration of the Federal Security Agency under the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301, and the following), as regards such ingredients before they come into the possession of the manufacturers of process or renovated butter, or as regards such powers and duties in connection with process or renovated butter after it leaves such manufacturers and comes into the hands of wholesale or retail dealers, or others, shall not be affected by this Act."

SEC. 2. Subsection (c) of section 2326 of the Internal Revenue Code (53 Stat. 255) is amended by striking out "shall be punished by a fine of not less than \$50 nor more than \$500 or by imprisonment for not less than one month nor more than six months; or by both said punishments," and by inserting in lieu thereof the following: "shall be punished by a fine of not more than \$1,000 or by imprisonment for a period of not more than six months, or by both such fine and imprisonment."

SEC. 3. Section 2327 of the Internal Revenue Code (53 Stat. 255) is amended by striking out subsections (b) and (c) of said section.

SEC. 4. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons or circumstances shall not be affected thereby.

Mr. CAMP. This bill has the approval of the dairy interests, and the Departments of Agriculture and Commerce, and is, I think, a bill which is in the interests of the producers of renovated butter, as well as the health of the country. I think Mr. Knutson is familiar with the bill.

Mr. Knutson, this is the identical bill we had in 1944. Here are reports which have been made to this committee by the Secretaries of Agriculture and Commerce.

(The reports follow:)

DEPARTMENT OF AGRICULTURE,
Washington, February 7, 1946.

HON. ROBERT L. DOUGHTON,
*Chairman, Committee on Ways and Means,
House of Representatives.*

DEAR MR. DOUGHTON: This is in further reply to your request of December 11, 1945, for a report on H. R. 3611, entitled "A bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes."

Under existing law as construed by the legal office of this Department, the Department's authority is limited to the condemnation of process or renovated butter only when the finished product is found to contain foreign matter which would render it unfit for human consumption. As a result little, if any, process or renovated butter is condemned. Insoluble foreign matter that may have been present in the original stock would be removed in the course of manufacture, and soluble foreign matter, which obviously cannot be removed in the manufacturing process and which renders the final product unfit for human consumption, can be detected in the finished product only with the greatest difficulty at all. Even if detection in the finished product were possible, the detection would not be made until after the product had entered into commerce and had, perhaps, been consumed.

In order to safeguard the health of the consumers of process or renovated butter, the Department must have authority to condemn butter, milk, butteroil, and other ingredients containing foreign matter which cannot be removed in the course of manufacture and which, if not removed, would render the finished product unfit for consumption. The Department believes that there is a place for process or renovated butter in the Nation's food supply. The manufacture of this product provides a good outlet for farm butter, particularly in the South, but it obviously should be clean and wholesome and not constitute a menace to the health of the consumer.

A similar bill designated S. 1006, after the incorporation of amendments which were concurred in by both the renovated butter industry and this Department, was introduced in the Seventy-eighth Congress by Senator George. This bill passed the Senate March 14, 1944, and was referred to your committee March 15, 1944. The provisions of the bill H. R. 3611 now before your committee are identical with those of S. 1006.

When the Department's report on the latter bill was submitted it was thought that this enforcement work could be handled by existing personnel incidental to their regular duties, thus avoiding the need for additional funds. After further study, however, it seems that continuous factory inspection would be required to give full effect to the proposed legislation. Approximately \$15,000 additional per year would be necessary for the employment of the additional personnel needed by the Bureau of Dairy Industry to properly carry out the responsibilities of the Department under this bill.

After careful consideration of the proposed legislation as embodied in the current bill, I am of the opinion that H. R. 3611 is highly desirable and I recommend its favorable consideration by your committee.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Sincerely,

CLINTON P. ANDERSON,

THE SECRETARY OF COMMERCE,
Washington 25, February 15, 1946.

HON. ROBERT L. DOUGHTON,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: Reference is made to your communication of December 11, 1945, requesting the views of this Department with respect to H. R. 3611, a

bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

Under section 2325 of the Internal Revenue Code as presently in effect, the control over the quality of process or renovated butter is effective relative to the finished product. The proposed bill places the emphasis on the ingredients of which the renovated or process butter is made. As a result, there is double protection for the consumer through inspection of the raw materials going into the product as well as process and renovated butter itself.

Process or renovated butter is made by five plants in the United States. The farmers sell their surplus butter (usually off-grade in quality) to traders who in turn sell to the processors of renovated butter. The new section of the internal Revenue Code would affect principally the traders. In order for their butter to qualify as "Inspected and passed," care will be required to keep their purchases from farmers in good condition, which is not always true at present. The processors are reported as favoring the bill as it will provide them with better raw materials, making possible a better finished product.

As it seems reasonable that control of food products for sanitary and health purposes should extend to the raw materials going into them, as well as to the final product, the bill is considered entirely justified.

The Bureau of the Budget has advised that there would be no objection to the submission of this letter to your committee.

Sincerely yours,

H. A. WALLACE, *Secretary of Commerce.*

Mr. CAMP. Now, Mr. Chairman, this renovated butter industry is constituted of four plants, and they tell me that the cost of building those plants exceeds the cost of building a regular creamery. Before the war they bought their butter from the farms, gathered this farm-made butter, ran it through these modern plants, cleaned it and sold it.

During the war period, when the demand for butter was so great, and the price was high, wholesalers and others would buy the farm butter wherever they could and mix it up in tubs and offer it for sale without running it through these plants, and in that way a large quantity of unclean butter was put on the market, which was a menace to health.

The farmers who are selling to these plants that manufacture the processed butter, the dairy interests, and the Department of Agriculture all want this legislation. As I told you, I introduced the bill upon request.

Mr. DINGELL. How much butter is involved?

Mr. CAMP. I don't know, but Mr. Trimble from the Department of Agriculture is here and he can tell you. But there are only four plants in the United States, two in Georgia and two in Alabama.

Mr. KNUTSON. Up where I come from renovated butter is in the same category as axle grease.

Mr. CAMP. Of course—

Mr. KNUTSON. The best thing to do would be to prohibit all commerce in renovated butter. You can't take a food article and take it and run it through a renovating machine and make it fit for human consumption, as we understand that term. But, if it will help the situation I am for it. I would rather see a bill passed prohibiting the sale of renovated butter altogether.

Mr. CAMP. The Secretary says that unquestionably there is a place for it.

Mr. KNUTSON. If there is a place for it it must be to grease machinery, not for human consumption.

Mr. EBERHARTER. Is there any opposition?

Mr. CAMP. No opposition.

MR. KNUTSON. I would like to hear from the gentleman from Wisconsin as to whether there is any objection. He is one of our authorities on butter.

MR. DINGELL. The Chair has just had a suggestion from Chairman Doughton that we hear from Mr. Murray.

STATEMENT OF THE HONORABLE REID F. MURRAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN

MR. MURRAY. I hadn't read this bill until this morning, but unless there are some sleepers in it that I am not able to see, the legislation would have unanimous support. There are probably one or two factors in connection with it that it might be well to take into consideration. This also evidently applies to imported butter as well, and I might say at this time that a couple of years ago we made quite an importation of butter from the Argentines that was so bad and so rancid—and I just give this example because I am close to the Agriculture Department and know the facts—that the British wouldn't take it. They bought that butter down there and then wouldn't take it, and so they dumped it into this country and we had to renovate it, and they used it to paint the outside of loaves of bread with it. They claim it makes a nicer paint than any other vegetable oil. Whether that is true or not, I don't know.

MR. KNUTSON. How is that paint for wearing qualities?

MR. MURRAY. I understand that pretty nearly all the trade treaties contain a sanitary clause. Far be it from me to tell this committee what it ought to do, but if I were a member of the committee I would want to call that to the attention of the State Department. You say, "Well, we don't have to ask the State Department what legislation we pass," which is perfectly true, but I do think it is important enough so that I would call the attention of the State Department to it, because I think pretty nearly every one of these agreements have something in them to the effect that you can't put up any sanitary regulations in connection with imports. That is not in connection with this so much, but we have agricultural bills coming in, we are going to appropriate millions of dollars to eradicate Bangs disease, we have already and will in the future appropriate millions of dollars for the eradication of TB; and yet the silly part of it to me is that we import these products without any thought of correcting this situation.

MR. DINGELL. Of course, you can't transmit TB through butter, but you can Bangs disease.

MR. MURRAY. I don't want to get into a scientific discussion, but I would just as soon have my butter from cattle that do not have TB. The point I am trying to make is that our imports should be made to comply with the same regulations that our domestic people have to comply with.

MR. CAMP. This is what appeals to the departments. If they bring any butter in here or attempt to repress it or mold it, it would be subject to inspection and they could condemn it. It is far better to condemn it before it is processed than after.

MR. MURRAY. There really isn't much place for it. There isn't any reason why dairy products in the form of butter or cheese or any manufactured article is any better in a package than it is in a bottle. If it has any bad germs in it, I would just as soon drink it out of a bottle

as I would take it out of a carton or anything else. There isn't any butter that comes in here. We never reduced the price. It is still 14 cents, and they took it out on our cheese. That makes us peeved once in a while.

Mr. DINGELL. Where are these butter processing plants?

Mr. MURRAY. In this country it comes from the newer sections. Out in Montana I remember years ago—I used to live in St. Paul—and I have seen in the summertime these express cars come in from Montana; they packed cream to town once in a while, and in the summertime that stuff would blow the tops off the cans in the express cars. That was not fit food to feed people. You can't justify any product such as that, I don't care whether it is dairy products, or meat or sweet potatoes, if it is not fit for consumption. You just can't be in favor of it. That is where it is coming from, and I presume your trouble in the South is because you haven't developed your dairy industry in that section extensively enough.

Mr. CAMP. Those four plants put out a very good product. They send these wagons out and collect it, collect the butter made in farm homes; then they take it to their plants. It is a bigger plant than a creamery and they say it cost more. What they turn out is a very nice looking product, although I have never eaten any of it. They buy that butter from the farm. During the war people would just buy up that butter at a high price and mix it up in a tub and sell it.

Mr. MURRAY. I remember a friend of mine who worked in a centralizing creamery in Omaha about 20 years ago. It is against the law to do this, but they have a room and you can't get in it from the outside, and every day when this stuff came in, some sour cream—not necessarily sour, but where it had gone far down the line, they would put lime in it, which in itself doesn't do anyone any harm, but it is against the law to do that. And that is what they used to sweeten it, and they could make a pretty palatable butter out of some pretty rotten material, if they added enough of certain things to it.

Mr. DINGELL. Let the fellows from the South keep the stuff.

Mr. CURTIS. Under this arrangement does it mean something like this? Here is some butter put on the question and you say it is a close question as to whether it should be passed. They reject it. That butter can be sent to a renovating plant, put through there and then sold as butter inspected and passed?

Mr. MURRAY. So I would judge from reading this bill.

Mr. CAMP. This bill will enable the Government to condemn that butter and not let it go through the renovating plant.

Mr. CURTIS. What are you going to do with this butter after it goes through?

Mr. MURRAY. After it has been through the renovating plant it is pretty hard for the Pure Food people to detect it. But if they could have inspected it before it went through the plant they could have condemned it. This enables them to inspect it and condemn it before it goes through the plant.

Mr. CURTIS. What is it used for after it is processed?

Mr. CAMP. It is used to eat.

Mr. CURTIS. That was my question. After it is processed, they again pass it?

Mr. CAMP. Then the Pure Food Act passes it. It is a debatable question—

Mr. MURRAY. The Pure Food can take it any time and pass it. They can test it.

Mr. CAMP. The Pure Food can take it off a grocer's shelf. It is hard for them to detect these materials, much harder than if it had been inspected before renovating.

Mr. DINGELL. The purpose of the bill is to control this particular situation?

Mr. CAMP. Yes, sir.

Mr. DINGELL. I presume that the butter, under the provisions of the bill, if it is not already a part of the pure food law, would have to be labelled as processed butter, would it not?

Mr. CAMP. As processed butter.

Mr. DINGELL. To make a distinction between that and pure, fresh creamery butter.

Mr. CAMP. You have to have that processed on the package.

Mr. CURTIS. Where are these four plants?

Mr. CAMP. There is one in Cedartown, Ga., which embraces four counties, which sends out wagons or trucks once a week and gathers up this farm-made butter.

Mr. CURTIS. You don't know whether the other three are?

Mr. CAMP. Yes, I do. There is one at Atlanta, Ga., one in Birmingham, Ala., and the other up on that mountain in Alabama. They buy this butter from the farm homes, and they have regular trips once a week. It is too sparsely settled for them to collect the milk, so they buy the churned butter from these farm wives and then renovate it in those plants. They were turning out a good product until the price of butter went sky-high and their competitors just bought it up and turned out anything.

Mr. JENKINS. You say all four of these plants are located down in your country?

Mr. CAMP. That is right; the only four in the United States.

Mr. JENKINS. What do they do with this rancid butter all through the North?

Mr. CAMP. I don't know what they do with it.

Mr. KNUTSON. We don't have any of it in the North.

Mr. CURTIS. The inspectors make them pour it down the sewer.

Mr. KNUTSON. In Minnesota, the cream would be condemned when it begins to spoil.

Mr. JENKINS. In some places they use it for slops for hogs, or something. What do they do with it? I am just asking a practical question.

Mr. CAMP. They can make soap out of it, or many things.

Mr. JENKINS. Down in your country you have four good-sized plants to handle this proposition. There are hundreds of times as much butter produced in Mr. Knutson's country and in Ohio. What do they do with it in our sections? I am just asking. I don't know.

Mr. CAMP. You get all the regular creamery butter you need up there.

Mr. JENKINS. But a lot of butter spoils; what do they do with it?

Mr. MURRAY. They have a certain amount of it in the Northern States. In each one of the leading dairy producing States, like Minnesota and Iowa, which are the two outstanding States of the Nation, to my observation, whenever they get some material that no one wants to use locally they ship it to a central market somewhere. What they do with it, I don't know. I have always thought that they took it

and by boiling they transferred it over and used it for painting loaves of bread and things like that. We have the same situation in other things. We have cattle in our country that no one in this room would want to eat, and yet they send them to market.

Mr. JENKINS. What has the Ways and Means Committee to do with this?

Mr. CAMP. It provides a fee here to pay for that inspection.

Mr. DINGELL. An operating tax, Mr. Camp?

Mr. CAMP. That is right.

Mr. JENKINS. You surely don't want to legislate a tax to apply to four little plants.

Mr. CAMP. There may be other plants built.

Mr. DINGELL. It provides for those that exist or those that may hereafter exist.

Mr. JENKINS. Why does this matter come before the Ways and Means Committee?

Mr. CAMP. Because you already have a law which provides for the inspection of regular creameries. You already have a law which provides for Pure Food and Drug inspection, and there is a fee charged in some of these things. This simply amends that and puts this renovated butter in a position where it is under a similar provision.

Mr. JENKINS. I didn't know that the Ways and Means Committee had charge of the pure food and drug laws of the country.

Mr. CAMP. They have charge of any action which provides for the collection of fees.

Mr. JENKINS. Then going back to my original proposition; if that is the case, if that is a matter that is important enough to call for an amendment of the pure food and drug laws of the country, it sure ought to apply to all parts of the country.

Mr. CAMP. It does. It just happens that there aren't any of these plants up your way. There probably will be. But up in your country you are thickly settled enough for them to collect milk every morning.

Mr. MURRAY. May I point out we already have this law, and there is nothing to prevent the Department from insisting on an inspection of some of this stuff.

Mr. CAMP. Certainly; and they probably will.

The CHAIRMAN. I would like to observe that I am sure we all appreciate the appearance of Mr. Murray and his statement. I would like to say for myself that Mr. Murray is one of the most active, useful and best-informed Members of the House when it comes to agricultural matters.

Mr. MURRAY. I thank the chairman, and I hope you will write to Collier's magazine, because I hope to pick up that thousand dollars or ten thousand dollars they are passing on.

Mr. KNUTSON. I would like to call the attention of the committee to page 2, line 19, subsection (b), which reads as follows:

The Secretary of Agriculture shall cause inspection to be made of all process or renovated butter. If such butter is found to be clean, wholesome, healthful, and otherwise fit for human food, it shall be marked "U. S. Inspected and Passed."

Getting right down to brass tacks, there is no such thing as good renovated butter, I believe. I have never seen any. They have taken the stink out of it, I will admit that, but otherwise not. I think if we should authorize the Secretary of Agriculture to pass it and mark it

"U. S. Inspected and Passed"—my thought is we ought to prohibit all dealing in renovated butter.

Mr. WEST. You run into this proposition. You can't control it in intrastate commerce. The folks in Georgia can do business in Georgia and those in Alabama can do business in Alabama.

Mr. KNUTSON. That is all right. If they want renovated butter, that is their privilege.

Mr. CAMP. I think we ought to read the entire bill, not pick out just one line.

Mr. DINGELL. You still can't control it in intrastate commerce.

Mr. CAMP. We have got to stamp it. If it isn't any good—

Mr. KNUTSON. You know that anything that has a Government stamp on leads a lot of people to believe it must be all right.

Mr. CAMP. It is also stamped "Process Butter."

Mr. KNUTSON. What does the ordinary person know about process butter?

Mr. EBERHARTER. I think all the housewives know that.

Mr. CAMP. The bill says:

"The Secretary of Agriculture shall cause inspection to be made of all factories wherein process or renovated butter is manufactured to determine the sanitary conditions thereof, and if it is found that the conditions existing in any such factory do not meet the standards prescribed by the Secretary in his regulations, he shall cause inspection to be withdrawn therefrom."

Mr. KNUTSON. I think the matter is of enough importance for us to call the dairy people in.

Mr. CAMP. The dairy people have approved the bill. I have a report from them.

Mr. KNUTSON. You have probably got men down there that never milked a cow.

Mr. CAMP. They have had this bill down there for over 3 years. I would like Mr. Trimble to come up here and tell us what the Department has done.

Mr. DINGELL. Let us hear from him.

STATEMENT OF CHARLES S. TRIMBLE, BUREAU OF DAIRY INDUSTRY, DEPARTMENT OF AGRICULTURE

Mr. DINGELL. State your name, occupation, and the capacity in which you appear.

Mr. TRIMBLE. Charles S. Trimble; I am in charge of dairy products inspection for the Bureau of Dairy Industry.

Mr. CAMP. Mr. Trimble, may I ask you a few questions?

Mr. TRIMBLE. Yes.

Mr. CAMP. How long has your Department down there been considering legislation of this character?

Mr. TRIMBLE. This was first introduced in the Seventy-seventh Congress, under a letter of the Secretary of Agriculture to the Solicitor's office, and sent to the Speaker of the House and the President of the Senate. It was introduced simultaneously as a House bill and as a Senate bill, Senate bill, 2079 being introduced December 4, 1941.

Mr. CAMP. Now, Mr. Trimble, has this matter received the endorsement of the dairy industry, or the Dairy Industrial Council, or any dairy group?

Mr. TRIMBLE. The Food and Drug Administration, in their regular meeting passed a resolution endorsing this bill. The Dairy Record, on this last bill, under date of July 11, has a little newspaper account—

Mr. KNUTSON. Of St. Paul?

Mr. TRIMBLE. St. Paul; yes, sir.

Mr. KNUTSON. Are they for it?

Mr. TRIMBLE. Yes, sir. I might add that there were hearings held both by a subcommittee of the Department of Commerce on the first bill introduced, S. 2029, and then the last session of Congress, on S. 1006, subcommittee hearings were held under Senator Bailey. A favorable committee report was made, and in one or the other of these published reports there is the endorsement of the Food and Drug in annual convention, a resolution endorsing it, also a recommendation from the dairy industry and various dairy-trade papers.

The CHAIRMAN. Will you state the primary purpose and special need for this legislation?

Mr. TRIMBLE. The primary purpose—this dates back, if I might amplify a little bit; this process butter dates back to 1902, as an amendment to the Oleomargarine Act. It is a taxable product, and that is why it is subject to special inspection. It is true—Mr. Camp says there are four—but there is a small qualified plant in Baltimore, so that there are five plants, instead of only four. From the very inception, the Secretary of Agriculture was given authority to inspect the sanitary provisions. It is jointly administered—the regulations pertaining to process or renovated butter are jointly administered by the Secretary of Treasury and the Secretary of Agriculture. Those are bonded premises, comparable to whisky or oleomargarine. In this sanitary inspection, so far as the Secretary of Agriculture is concerned, it was early found, from opinions rendered by the Solicitor's office, that the Secretary of Agriculture was without authority to condemn anything but the finished product, and therefore, in the light of a Supreme Court opinion in the case of one of these factories in 1940, it was sought to remedy a long-established defect in the law, that only the finished product could be condemned. It was simply to provide an inspection of the raw material. Farm-made butter should be subject to inspection before processing. And that is the sole primary purpose insofar as the Department of Agriculture is concerned. A need was felt for correcting the existing legislation from that standpoint.

Mr. CAMP. In other words, you could only inspect it after it was processed under existing law?

Mr. TRIMBLE. We can inspect, but not condemn.

Mr. CAMP. You can't condemn the material unless you reach it before it is processed?

Mr. TRIMBLE. "The Secretary of Agriculture shall cause a rigid sanitary inspection to be made," but there is no time designation, so it is not continuous inspection, and without continuous inspection, there would be no way of condemning, and this "U. S. Inspected and Passed" is based primarily on the Meat Inspection Act as a model.

Mr. KNUTSON. You stated a while ago that the Dairy Record of St. Paul endorsed this.

Mr. TRIMBLE. That is right.

Mr. KNUTSON. I am wondering if the Land o' Lakes people endorse it; what do they think about it?

Mr. TRIMBLE. Not that I know. I have an extract from the Food Reporter, and I may say that the Dairy Record wrote an editorial in regard to S. 1006, and this was a news item, and I believe the Creamery Journal—if you know Mr. Estelle in Waterloo—I believe there was an editorial in regard to S. 1006.

Mr. KNUTSON. Is this identical with S. 1006?

Mr. TRIMBLE. Without a change in the dotting of an "i" or the crossing of a "t".

Mr. CURRIS. Does this proposed bill, H. R. 3611, change existing law with respect to butter and the ingredients to make butter, that are not intended for the manufacture of process or renovated butter?

Mr. TRIMBLE. No; it does not. The Secretary of Agriculture, under the original act, is given only authority over qualified renovated-butter factories.

Mr. CURRIS. I notice on page 2, lines 3 to 6, where it directs the Secretary of Agriculture to make inspections of all milk, butter, butter oil, and other ingredients intended for use in the manufacture of process or renovated butter—in other words, that is the field only on which we are legislating?

Mr. TRIMBLE. Correct, sir.

Mr. CURRIS. As to the law pertaining to other butter and the ingredients for butter, it doesn't change that?

Mr. TRIMBLE. Not at all.

Mr. CURRIS. It just deals with this matter alone, this particular matter?

Mr. TRIMBLE. That is right.

Mr. WOODRUFF. I wonder if you can tell the committee how long ago they first began to process butter in this country?

Mr. TRIMBLE. The earliest history I have been able to find in the record dates back in the eighties.

Mr. WOODRUFF. That goes back further than the knowledge that I have.

Mr. TRIMBLE. In 1886 in Missouri, I believe, was the first record. There is an old Yearbook article where a man took farm butter—at that time, of course, there was practically no creamery butter—it is an outgrowth, I might add, first, of picking up odd lots, miscellaneous lots from thousands of farmers and just working it over and making it uniform in salt and color. Some of that was so strong that it didn't make a salable product. It naturally evolved that they then melted it and treated it with chemicals. The original hearings in 1902 shows that all kinds of things were used. The law, then, as I understand it, simply provided that it could not be treated with any chemical; otherwise a tax of 10 cents a pound would be assessed as adulterated butter, rather than the one-quarter cent per pound as process or renovated butter.

Mr. WOODRUFF. A great many years ago I lived in Michigan, and this was more than 45 years ago—and in that town in which I lived, they had a butter processing plant, and so far as I now recall that butter was comparable to the ordinary butter you could buy at the store, by reason of the fact that by processing they had taken a lot of the flavoring and undesirable qualities out of it and made it a very

palatable product. I never knew anything about what the processes were, or whether it was as valuable as a food product as was the ordinary butter you got from the farmer—and that is where all the butter we had originated from. But this processing business is nothing new.

Mr. TURNER. No; it is not.

Mr. WOODRUFF. And I assume, as the years have gone by, they have improved their processes.

Mr. TURNER. They have.

Mr. WOODRUFF. That goes with every activity we engage in, I think. So I don't feel the same alarm about this bill that some of the others may, because of the experience I had many years ago in eating process butter, which to me and my family seemed palatable.

Mr. SIMMONS. Mr. Turner, is regular creamery butter now marked "U. S. Inspected and Passed"?

Mr. TURNER. No, sir; it is not.

Mr. SIMMONS. Neither is the process butter?

Mr. TURNER. No, the process butter must be marked "Process Butter" under the law.

Mr. SIMMONS. Why would it be proper—as Mr. Knutson raised the question—to mark the process butter "U. S. Inspected and Passed" when you don't so mark the regular creamery butter? Isn't the implication to the buyer, when this is marked "U. S. Inspected and Passed" that it is of a higher standard than that which is not so marked?

Mr. TURNER. Well, I presume that "U. S. Inspected and Passed"—we look for it on meats—would add to the value of the product.

Mr. SIMMONS. I am inclined to agree with Mr. Knutson's thought that perhaps that sentence should be removed from the bill.

Mr. KNUTSON. You wouldn't advocate giving renoyated butter a preferred status in the market to high grade creamery butter, would you?

Mr. TURNER. No, indeed; I wouldn't advocate that.

Mr. KNUTSON. That is precisely what would happen under unless that (c) on page 3. You buy a carton of Land o' Lakes butter, or any other high grade butter, such as is made in Minnesota—and there is not better made anywhere, I think you will admit that—

Mr. TURNER. I have inspected millions of pounds of Minnesota butter.

Mr. KNUTSON. It is produced under the most sanitary conditions, and our State laws are very rigid in the governing of creamery plants; that is true?

Mr. TURNER. If you go back far enough, you had processing plants. One of the bigger ones was in the Middle West, St. Paul.

Mr. KNUTSON. I am trying to protect the interests of the high grade creamery butter—the creameries that turn out all of our high grade butter, which is without exception 90 to 93 score—

Mr. TURNER. If you are referring to Land o' Lakes, that has Government grading, and it must be 93.

Mr. KNUTSON. It is true of all of them.

Mr. TURNER. It is true of all of them. Minnesota has the reputation.

Mr. KNOTSON. I don't know why we should take a renovated butter and stamp it as provided for in this bill, when there is no such provision made for stamping high grade creamery butter.

Mr. TRIMBLE. The only way I can answer that is, in drafting this bill—and this was the original bill—it was drafted in connection with the Solicitor's Office and the Department of Agriculture, and with the Meat Inspection Act as a model. In order to show that it had been inspected, it was necessary to put some such label on.

Mr. KNOTSON. The fact that we have not been marking high grade creamery butter as "U. S. Inspected and Passed" seems to me an oversight, as a discrimination against the high grade creamery butter.

Mr. TRIMBLE. Would it not involve every plant having to be inspected and have an inspector in there, if it was to be marked "U. S. Inspected and Passed"?

Mr. KNOTSON. The fact nevertheless remains, Mr. Trimble, that you are an intelligent man—if you didn't know anything about butter, and you saw two cartons in front of you, one being 93 score creamery butter, without any reference to government inspection marked on the package, and the other one containing renovated butter, with the inscription "U. S. Inspected and Passed," you would be inclined to trust the package containing that wording, would you not?

Mr. TRIMBLE. I presume so. That suggestion does have merit. If Uncle Sam stands back of it, that is what I would like to have.

Mr. JENKINS. Why wouldn't it be a good idea to call it "Renovated Butter, U. S. Inspected"?

Mr. CAMP. It is already provided that it must be marked "Renovated Butter."

Mr. EBERHARTER. Under the Pure Food and Drug Act won't the package show the ingredients?

Mr. TRIMBLE. Under the Pure Food and Drug Act?

Mr. EBERHARTER. Doesn't that set forth all the ingredients?

Mr. DINGELL. The ingredients and so forth are not shown on a package of Land O' Lakes butter, but the producers of that make a point of acquainting the people with the value of it, and the difference between 88, 89, 90, 91, and 93 score.

Mr. EBERHARTER. I would like him to answer my question.

Mr. TRIMBLE. There are no foreign ingredients permitted. Therefore, under the Pure Food and Drug Act, a statement of the ingredients would not be required.

Mr. CAMP. It is marked renovated butter, under the law.

Mr. DINGELL. It should be marked "Renovated Butter, U. S. Inspected."

Mr. CAMP. That is right.

Mr. DINGELL. As I see it—I am interested from the standpoint of the consumer—when this stuff gets into the big cities, I want the housewives to know she is getting renovated butter. Then I want it to be known that it was United States inspected and passed. I don't want some plant without inspection to produce renovated butter and then be permitted to ship it to Detroit for consumption. I want renovated butter, if it is to be shipped at all over State lines, inspected.

Mr. TRIMBLE. Under existing law, since its inception, it must bear the words "Process Butter" on one side of the carton, in letters

three-eighths inch square, with no other writing, and then, under regulations of the Secretary, wherever the word "butter" is used, it must be preceded by the word "process."

Mr. KNUTSON. So far as I am concerned, I wouldn't have any objection to this legislation if they used the word "renovated" instead of "process butter." Process doesn't tell us anything, but when it was "renovated" we know it has been run through sweet milk and otherwise manipulated.

Mr. TRIMBLE. Secretary Wilson, from 1900 to 1907, in the early regulations required the processors to mark it "renovated butter" in lieu of "processed," but inasmuch as the law says "processor"—and the Treasury Department took that up in 1907, the Treasury Department and the Department of Agriculture, in compliance with the law, as I understand it, permitted them to use the softer word.

Mr. KNUTSON. We are writing a new law now, so we can write anything into it we want. I agree with the gentleman from Michigan, Mr. Dingell, that we should let them know it is renovated butter they are buying. I have no quarrel with renovated butter.

Mr. DINGELL. And say "U. S. Inspected and Passed." No renovated butter can go through without that. And I want to see renovated butter under proper supervision. I want to know that it has been renovated under the supervision of the United States Government. More than that, I want to ask this question now: A certain amount of this butter, from my limited understanding of it—and I have handled vast quantities of butter for sale, and sampling—actually comes from creameries where it has gone rancid, doesn't it?

Mr. TRIMBLE. No.

Mr. CAMP. It comes from the farms.

Mr. DINGELL. I know the great bulk of it does, but I just wondered whether any amount of it came from storage places.

Mr. TRIMBLE. No; it doesn't. The industry itself has gravitated to the South, where the great bulk of the farm butter is still made. When the law first went into effect, there were factories in Iowa, Wisconsin, and all out in the Middle West—and I am the inspector of these qualified plants now, and I know of only one or two cases in the last 15 years where any creamery butter was renovated or processed in one of these factories. Not that it cannot be, but their chief source of supply is the farm butter.

Mr. CAMP. Tell them about the processing of it. What kind of a plant do they have? Is it a real plant, a real process, or a make-shift, or what is it? What is a process butter plant?

Mr. TRIMBLE. One gentleman said it was just worked over, but that progress had been made. Originally—and this would apply to the plant in St. Paul—originally the butter was simply melted sufficiently to allow the fat to separate; then it was dropped into a tank of ice water with sour milk and crystallized into granules, with no provision made for pasteurization. The process butter in the last 15 years has changed to the extent that the oil is separated, it is often treated under vacuum deodorizers, mechanically; they are not permitted to use any acids, or alkalis, or chemicals in process butter, and a reconstituted cream is made which is thoroughly pasteurized. That reconstituted cream is again churned as is ordinary cream, and the factories have modern equipment, often stainless-steel baths and equipment.

Mr. KNUTSON. You will admit, Mr. Trimble, that it would give greater protection to the consumer if, on line 22, after the word "marked"—page 2, and this is in accordance with the suggestion of the gentleman from Michigan—after the word "marked" or "renovated butter, U. S. Inspected and Passed." I certainly wouldn't permit the bill to go out of the committee without a minority report. It gives an unfair advantage in the open market to renovated butter, in that you use the words "U. S. Inspected."

Mr. CAMP. It has been called process butter since 1907.

Mr. KNUTSON. I understand that, but originally it was renovated butter. Back in the early part of the century it was always referred to as renovated butter.

Mr. TRIMBLE. They called it boiled, processed, renovated.

Mr. DINGELL. What was the original term?

Mr. TRIMBLE. I am wondering. In the original bill, wherein the product is taxed, it says "process or renovated butter."

Mr. KNUTSON. Here we are dealing with the marketing of renovated butter.

Mr. EBERHARTER. Why not leave in "renovated"? Put in there that it shall be marked either renovated butter or processed butter, whichever it happens to be, because the act is new, and because section 25 says this: "All processed or renovated butter * * * containing the same, shall be marked with the words 'renovated butter' or 'processed butter', and by such other marks, labels, and in such manner as may be prescribed by the Secretary of Agriculture."

Mr. KNUTSON. The law says "renovated or process."

Mr. EBERHARTER. Yes.

Mr. KNUTSON. Do you know of any of these plants that use the word "renovated butter"?

Mr. TRIMBLE. No, indeed; not since 1907.

Mr. KNUTSON. Exactly, because "process" is misleading. I am sure the gentleman from Pennsylvania wants to protect the consumer.

Mr. EBERHARTER. I just don't want to gum up the thing by changing the law.

Mr. KNUTSON. Let us write in a provision changing the section just read by the gentleman.

Mr. CAMP. Will the gentleman yield? We have four little plants down there serving those people. They are furnishing a market for farm butter. The State of Georgia last year brought in dairy products from the State of Minnesota an amount equal to half of our cotton crop. They have the paper in which to wrap this product, they have the cartons and everything for process butter, and now you want them to destroy all that and lose that money just by changing it to renovated.

Mr. KNUTSON. I wouldn't want that, no. In order to protect them, I am willing to give them 6 months to get rid of their cartons. If they have more than a 6 months supply of cartons on hand they have violated the OPA.

Mr. JENKINS. They will have to change them anyhow to put "U. S. Inspected" on there.

Mr. CAMP. No, no. "U. S. Inspected and Passed" is stamped on there. The law already requires that they have on the side of this butter package the words "process butter" printed in letters three-eighths

inch high, and they can't have anything else on that carton except those words.

Mr. KNUTSON. "Process"?

Mr. CAMP. "Process Butter." That is the trade name of it, and it has been the trade name for 39 years, since 1907.

Mr. KNUTSON. Before that they used the word "renovated." Then they got busy and had the law changed.

Mr. CAMP. It was just in your country they called it that; we never called it that.

Mr. KNUTSON. You talk about buying so much dairy products from our country. We wear cotton up in Minnesota and use cottonseed meal, a lot of it—and it is a mighty fine product.

Mr. KING. Might I ask the witness a question? I think you stated that years ago the processing was a sort of renovating process.

Mr. TRIMBLE. Before the war it was actually renovation, chemical renovation.

Mr. KING. These plants were started by the collection of what you might call wholesale butter around over the farm area, which was then brought in and mixed and made uniform as to color and so forth. That is actually what this plant does, and to refer to it as renovated would label it something it actually is not. That is, the word "renovation" would appear to the buyer as some rancid product that has been prepared by some method, but actually what it is, is processing it. Instead of processing the cream or milk from the various farms, because of the situation that exists there, they must churn it at home, and then it is processed into a standard and more or less uniform article.

Mr. TRIMBLE. That is correct. It would be comparable to taking milk powder and adding water and reprocessing it into whole milk or skim milk, because no chemicals can be used under the law.

Mr. KING. I think, Mr. Chairman, adding the word "renovated" in there would injure these people.

Mr. JENKINS. I notice in the revenue law there are three descriptive terms: process, renovated, and adulterated butter. I don't suppose anybody ever puts out any butter marked "adulterated butter"?

Mr. TRIMBLE. There has been, but not at the present time.

Mr. JENKINS. Does anybody put any out marked "renovated"?

Mr. TRIMBLE. Up until 1907.

Mr. JENKINS. Now, then, I think this may be a good thing. There is no use wasting all this butter in the face of our present shortage. They take this butter and try to take out all the bad qualities, and in that way we all have so much more butter for the country—which is right and proper. You ought to have the burden on you to see to it that that renovated or adulterated butter does not go out as processed butter.

Mr. TRIMBLE. That is part of the duty of the Treasury and the Department of Agriculture.

Mr. JENKINS. There are three words in here describing this butter, but nobody ever uses the word "adulterated."

Mr. CAMP. That don't refer to the same butter. There are three kinds of butter; there is adulterated butter, there is renovated butter, which is old butter made over; there is processed butter, which is

butter that goes into the factory and is clean butter right off the farm. It is not rancid butter being made over.

Mr. JENKINS. I just raised the question.

Mr. CAMP. Process butter is different from renovated butter.

Mr. KNUTSON. Answer this, if you will; if the butter is so good when it comes off the farm, what is the need for renovating it?

Mr. CAMP. You have a provision in this bill that the Secretary of Agriculture may prescribe regulations to take care of that.

Mr. KNUTSON. I know, but if you are right, what is the need for renovating. There may be a provision, as you state, but if we can write it into law, that is much better.

Mr. CAMP. Do you want to call process butter renovated butter, when it isn't renovated?

Mr. KNUTSON. The word "process" is misleading. That is the reason they had it changed. It is easier to sell process butter than it is to sell renovated butter.

Mr. JENKINS. Process butter is not renovated butter, is it?

Mr. TRIMBLE. Process or renovated, but adulterated is an entirely different product.

Mr. JENKINS. Process or renovated. You are the man we are looking to, to protect the American people. You are the expert, and you ought to do right by these people who have these factories, but you ought to protect the consumer and tell us what ought to be done. If you think the people are not being discriminated against or being fooled in any way, I am willing to vote on this business. But if there is in the trade a very noticeable difference, if the word "process" could in any way mean a butter that has been adulterated—

Mr. TRIMBLE. As I said, there can be no acids, or alkalis, or chemicals. That is the language of the original revenue law. To treat it with acids or alkalis or chemicals would make the product an adulterated butter and subject to a higher tax, so that the product cannot even be, as one gentleman stated, treated with lime. If it was, it would become adulterated; so that the process is all mechanical; it is washing and separating.

Mr. JENKINS. Let us bring this out: Is the word "Process Butter" a technically recognized name in the butter trade and in the Agricultural Department? I don't know what you do with it. What do you do with it when you process it different from what you do when you renovate it?

Mr. TRIMBLE. Well, if it is renovated, it involves, as you think, of the chemical renovation of oils. If it is not renovated—I hardly know how to answer this, because "renovated" is probably the stronger word. Up where you come from the butter is boiled down to get the oil out of it, then fresh milk is added to it, you get the cream and churn it out. Whether that involves renovation, I don't know.

Mr. JENKINS. In the bill it says some place that you go through and find the adulterating ingredients, and you take them out, then you take the good ingredients and proceed to make something out of it. The old huckster that used to come to our place—everybody would dump all kinds of dirty butter in the same tub; he would take that home and pick out the flies and bugs, and maybe he would say he renovated it. He never processed it.

Mr. TRIMBLE. Then he was making, in a technical sense. If he just worked it over and picked out the incests, he was not making either one. He was making a ladle butter.

Mr. CAMP. May I make a suggestion? There is no opposition to this; no one has ever opposed this bill. It has been pending here for 3 or 4 years; we haven't had it up. There has never been anybody before the committee opposing it; the dairy interests of the country approve it; the Secretary of Agriculture approves it. This butter has been sold to the public under the term "Process Butter" for 39 years; it has all been marked that way, and the only thing we have before us here is a proposed amendment to change the labeling, which has been in effect and recognized by the Department of Agriculture for 39 years.

Mr. KNUTSON. That is probably due to an oversight.

Mr. CAMP. All the departments want it; the Pure Food and Drug wants it, and the Department of Agriculture—

Mr. DINGELL. Don't you agree, Mr. Camp, that probably we ought to go into executive session to finally iron this out?

Mr. CAMP. Yes; I think so.

Mr. DINGELL. In other words, it is the opinion of the Chair that we cannot settle this here and now, and we ought not to vote on it now.

Mr. KNUTSON. While we have Mr. Trimble here, I would like to ask him if it is not a fact that the very best grades of creamery butter are processed. Anything that is manufactured is processed, is it not?

Mr. TRIMBLE. Yes; I suppose that would be the meaning of the word "processed."

Mr. KNUTSON. It is the processing of cream, is it not?

Mr. TRIMBLE. Yes. The pasteurization of milk, I suppose, would be processing.

Mr. KNUTSON. Pasteurization is one process; churning is another process.

Mr. TRIMBLE. Correct.

Mr. KNUTSON. So to call this "Processed Butter" is, in effect perpetrating a fraud on the public, and it is to be regretted that it has been permitted to go on for 40 years. Now we have a chance to rectify it; and I, for one, am going to insist that we call it renovated butter, because that is precisely what it is.

Mr. TRIMBLE. Your State of Minnesota, I believe, makes a distinction; "Processed Butter" being one thing and renovated butter another, and many of the States—

Mr. CAMP. You say the State of Minnesota makes a difference?

Mr. TRIMBLE. The old law.

Mr. DINGELL. Tell me this: How much butter is involved here? How much is involved that might be of aid in alleviating the present shortage of butter and fats?

Mr. TRIMBLE. Between three and four million pounds is the total output of the "Processed Butter" industry.

Mr. KNUTSON. I would just as soon have the bill reported out with the amendment I suggested, giving the 6 months in which to get rid of their supply of cartons. I don't want to impose a loss on them.

Mr. CAMP. I won't agree to that amendment. These people have been in business for 39 years; it has been known as "Process Butter," and if the housewife went to buy it she wouldn't know it was the same butter.

Mr. DINGELL. The Chair would suggest, if there is no objection, that we go into this question in executive session at a later date, maybe this morning or this afternoon.

Mr. CAMP. I don't see why we can't do it now.

(Whereupon the committee proceeded to a consideration of other business.)

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OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section

79th-2nd, Nos. 30, 31

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued February 25, 1946, for actions of Thurs. and Fri., Feb. 21 and 22, 1946)

(For staff of the Department only)

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HIGHLIGHTS: House passed school lunch bill. House Ways and Means Committee reported bill to authorize USDA to condemn unfit materials to be used in process or renovated butter. Senate confirmed nomination of Porter as Price Administrator. Senate passed bills to restrict mineral development on, and adjust boundaries of, national forests. Senate passed bill to transfer an FSA rehabilitation project to N. Dak., for use of veterans. Rep. Jenkins stated New Deal is adopting program advocated by Republican Congressional Food Study Committee.

SENATE - February 21

1. NOMINATION. Confirmed the nomination of Paul Porter as Price Administrator (pp. 1548-9).
2. FORESTRY. Passed as reported S. 913, to protect scenic values along Catalina Highway in the Coronado National Forest, Ariz., by restricting mineral development (p. 1555).
Passed without amendment S. 1226, to readjust the exterior boundaries of the Kaibab National Forest and certain other lands, Ariz. (p. 1556).
3. RURAL REHABILITATION. Passed as reported S. 1336, to transfer the FSA Burlington Farms Project to N. Dak. for the benefit and rehabilitation of handicapped veterans (pp. 1555-6).
4. PURCHASING. Passed without amendment H. R. 2284, to prohibit payment of fees, kick-backs, or gifts by subcontractors in efforts to get Government contracts from prime contractors or a higher subcontractor (p. 1563). This bill will now be sent to the President.
5. BANKRUPTCY. Passed over, on objection of Sen. Cordon, Oreg., H. R. 4160, to set up a system of full-time salaried referees under the Bankruptcy Act (p. 1561).
6. CLAIMS. Passed without amendment H. R. 129, to provide relief for banks, merchants, etc., by limiting the time within which the Government may bring action to recover the proceeds of its checks by reason of forged endorsements or

-2-

unauthorized signatures (p. 1563). This bill will now be sent to the President.

7. SURPLUS PROPERTY. The Military Affairs Committee submitted an interim report on disposal of surplus war plants (S. Rept. 987)(pp. 1564-5).
8. ST. LAWRENCE WATERWAY. Received a N. J. Legislature memorial opposing this project (pp. 1544-5).
9. PERSONNEL. Received a Virgin Islands Assembly petition favoring inclusion of Federal employees in those Islands under S. 1415, to increase Federal pay (p. 1545).
At the request of Sen. Cordon, Oreg., passed over S. 1325, to extend the
10. Employees' Compensation Act to certain employees including those rendering service to the U. S. for nominal pay and without compensation (p. 1553). Sen. Fulbright, Ark., submitted an amendment which he intends to propose to the bill (p. 1547).
At the request of Sen. Revercomb, W. Va., passed over H. R. 2716, to authorize appropriations for health programs for Federal employees (p. 1557).
At the request of Sen. Revercomb, passed over S. 1105, to modify the penalties under the Hatch Political Activities Act, and then recommitted the bill to the Judiciary Committee for further study (p. 1560).
10. FEED SHORTAGE. Received a R. I. Legislature memorial requesting alleviation of the feed and grain shortage for dairy cattle and poultry flocks (p. 1545).
11. WILDLIFE CONSERVATION. The Territories and Insular Affairs Committee reported with amendment S. 965, to amend the Alaska game law (S. Rept. 982)(p. 1546).
12. ASSISTANT SECRETARIES OF COMMERCE. Passed without amendment S. 1367, to provide for three additional Assistant Secretaries of Commerce (p. 1554).

SENATE - February 22

13. SCHOOL LUNCH PROGRAM. Sen. Capper, Kans., inserted a letter from the National PTA Congress favoring S. 962, to authorize such a program, and stated that he is in favor of the bill (p. 1608).
H. R. 3370, the school-lunch bill, was placed on the Senate calendar (p. 1609).
14. ADJOURNED until Tues., Feb. 26. Committees were authorized to submit reports during recess. (p. 1609.)

HOUSE - February 21

15. SCHOOL LUNCH BILL. Passed with amendments, 275-101, this bill, H. R. 3370 (pp. 1567-76). Agreed to an amendment by Rep. Andresen, Minn., to strike out the \$15,000,000 authorization for the Office of Education (pp. 1568-73). Agreed, 252-110, to an amendment by Rep. Powell, N. Y., as modified by an amendment by Rep. Folger, N. C., to prohibit payment of Federal funds for providing food in any State or school if it discriminates because of race, creed, color, or national origin (pp. 1573-4) (this amendment had previously been agreed to in Committee of the Whole). Rejected, 121-260, a motion by Rep. Clevenger, Ohio, to recommit the bill to the Agriculture Committee (pp. 1574-5).
16. BUTTER INSPECTION. The Ways and Means Committee reported without amendment H. R. 3611, to authorize this Department to condemn materials intended for use in

process or renovated butter and which are unfit for human consumption (H. Rept. 1595)(p. 1601).

17. HOUSING. The Rules Committee reported a resolution for consideration of H. R. 4761, the Patman housing bill (price control and subsidies)(pp. 1567, 1601).
18. FEED SHORTAGE. Rep. Philbin, Mass., urged Government action to provide more feed for New England livestock and poultry (p. 1597).
19. LEGISLATIVE PROGRAM. Majority Leader McCormack announced the legislative program for this week as follows: Mon. and Tues., Patman housing bill; Wed., bill to include department heads under Retirement Act; Thurs. and Fri., agricultural appropriation bill and deficiency appropriation bill (p. 1597).

HOUSE - February 22

20. TERRITORIES AND POSSESSIONS. Resident Commissioner, Pinero, Puerto Rico, inserted the President's letter to the Caribbean Commission outlining U. S. policy with respect to the governments of the non-self-governing territories of the Caribbean region (pp. 1615-6).
21. ADJOURNED UNTIL MONDAY, Feb. 25 (p. 1615).*

BILLS INTRODUCED

February 21

22. HOUSING. H. R. 5553, by Rep. Rogers, Mass., relating to veterans preferences in purchasing surplus property suitable for residential purposes. To Public Lands Committee. (p. 1602.) Remarks of author. (p. A956-7).
23. ELECTRIFICATION. H. R. 5555, by Rep. Harris, Ark., to amend the Rural Electrification Act of 1936, as amended. To Inter-state and Foreign Commerce Committee. (p. 1602.)
24. RESEARCH. S. 1850, by Sen. Kilgore, W. Va., (for himself and Senators Magnuson, Wash., Johnson, Colorado, Pepper, Fla., Fulbright, Ark., Saltonstall, Mass., Thomas, Utah, and Ferguson, Mich.), to promote the progress of science and the useful arts, to secure the national defense, to advance the national health and welfare, etc. To Military Affairs Committee. (p. 1546.)
25. MINERALS. S. 1856, by Sen. Hatch, N. Mex., to reserve for the use of the United States all deposits of fissionable materials contained in the public lands. To Public Lands and Surveys Committee. (p. 1546.)

February 22

26. POSTAGE. S. 1858, by Sen. Mead, N. Y., (p. 1609.) and H. R. 5560, by Rep. McKenzie, La.; to fix the rate of postage on domestic air mail, etc. (p. 1617). To Postage Office and Post Roads Committees.

*It is understood that there will be no legislative program today, in view of the death of Rep. Snyder, Pa.

27. FOOD PRODUCTION. Extension of remarks of Rep. Jenkins, Ohio, claiming that the New Deal is finally adopting the program advocated by the Republican Congressional Food Study Committee, and including a Baltimore (Md.) Sun article urging the continuation of the victory garden program (pp. A950-1).
28. SCHOOL LUNCH PROGRAM. Extension of remarks of Reps. Murray, Wis., Mansfield, Mont., Link, Ill., and Rep. Biemiller, Wis., favoring the school lunch bill (pp. A957-8, A959, A959-60, A960).
29. FARM PRICES; LABOR. Rep. Graham, Pa., inserted a Wilmington (Pa.) Grange resolution favoring legislation to control strikes, to prevent interference with the marketing of farm produce, and to adjust prices to cover the increase in cost of farm labor (pp. A961-2).
30. HOUSING. Sen. Tunnell, Del., inserted Sen. Mead's (N. Y.) Housing Progress article summing up the housing situation in the U. S. and favoring S. 1592 the national housing policy bill (pp. A949-50).
Sen. Bridges, N. H., inserted four newspaper editorials opposing housing subsidies (pp. A958-9).
31. TRANSPORTATION. Sen. Hill, Ala., inserted Secretary Wallace's (Commerce Department) speech urging approval of the St. Lawrence Waterway (pp. A946-8).
32. INFLATION; ECONOMY. Rep. Buffett, Nebr., inserted a New York Times editorial urging the balancing of the Federal budget as the only real cure for inflation (p. A957).
33. VETERANS. Rep. Sikes, Fla., inserted a digest of the present benefits available for veterans under the G. I. Bill of Rights (pp. A962-3).
34. PHILIPPINES. Rep. Woodruff, Mich., inserted Francis B. Sayre's article, "Freedom Comes to the Philippines" (pp. A966-9).

ITEMS IN APPENDIX - FEBRUARY 22

35. MARKETING. Extension of remarks of Rep. Flannagan, Va., explaining his bill, H. R. 5496, to amend the provisions of the AAA Act relating to marketing agreements and orders (p. A975).
36. PRICE CONTROL. Rep. Woodruff, Mich., inserted a constituent's letter containing a table showing the increase in certain food prices since 1941 (pp. A975-6).
37. HOUSING. Extension of remarks of Rep. Patman, Tex., urging ceiling prices on houses (p. A983-4).
38. FOREIGN RELIEF. Rep. Bloom, N. Y., inserted a Washington Evening Star article favoring the continued participation of the U. S. in UNRRA (p. A989).

COMMITTEE HEARINGS ANNOUNCEMENTS for Feb. 25: H. Appropriations, deficiency, (ex.); H. Banking and Currency, OPA extension (Eccles); H. Civil Service, Federal pay bill (Flemming); H. Food shortage, dairy (OPA & USDA officials); S. Foreign Relations Subcommittee, St. Lawrence Waterway; S. Appropriations, urgent deficiency bill (ex.); S. Atomic Energy (ex.).

For supplemental information and copies of legislative material referred to call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised routinely, of developments on any particular bill.

the further reason that their equipment is not ready to meet with American equipment, and wanting to stop American competition until such time as they are ready to meet it with both equipment and fares, promptly refused to permit said American planes to land in the British Isles on more than the two flights a week which were guaranteed by treaty. The additional scheduled flights which had been allotted under this situation resulted in the American competitor having to increase its proposed fare from \$275 to \$375, charging the traveling public \$100 more than it thought necessary for a one-way flight across the Atlantic.

We have in this Bermuda Conference an example of the destruction of American enterprise, American ingenuity, American capital, and American labor, and the Bermuda Conference provides the delay until such time as our foreign competitors will have gathered their resources to a point where our weakened transportation system will not have an opportunity to fairly compete with not only foreign competition abroad but will be cursed with the do-gooders at home.

I do urge that immediately Congress take hold of this matter, arouse itself from its lethargy and assume the responsibility which it has and prepare the necessary legislation in the proper committee. This business of Congress fiddling while its jurisdiction is destroyed is one which is tragic. These policies should not be written at some joyful watering place, where cocktail parties and diplomatic balderdash are in order, but rather in the committee rooms and legislative halls of Congress, where the membership dealing with the problem are concerned, not about what a delightful companion "Sir Henry" is, but with what is in the best interests of America.

(Mr. O'HARA asked and was given permission to revise and extend his remarks.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BALDWIN of New York, for 18 days, on account of important business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 323. An act for the relief of Thomas F. Gray;

S. 400. An act for the relief of Elisabeth Andersen;

S. 543. An act for the relief of Felix Fredrickson;

S. 683. An act for the relief of Mrs. Marie Nepple, as executrix of the estate of Earl W. Nepple, deceased, and Mrs. Marie Nepple, individually;

S. 865. An act for the relief the estate of Agnes J. Allberry;

S. 1084. An act for the relief of John C. May and Eva Jenkins May;

S. 1126. An act for the relief of Alice A. Murphy;

S. 1131. An act for the relief of Jess Hudson;

S. 1400. An act for the relief of Robert R. Rowe, Jr.;

S. 1423. An act for the relief of Charles L. Phillips;

S. 1588. An act for the relief of Mrs. Lona Wilson; and

S. 1618. An act to exempt the Navy Department from statutory prohibitions against the employment of noncitizens, and for other purposes.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 35 minutes p. m.) the House adjourned until tomorrow, Friday, February 22, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

(Friday, February 22, 1946)

The Committee on Expenditures in the Executive Departments will hold hearings on surplus property at 10 a. m., Friday, February 22, 1946.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, February 26, 1946)

There will be a meeting of the Federal Trade Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, February 26, 1946.

Business to be considered: Resume public hearings on H. R. 2390 (to amend the act creating the Federal Trade Commission) to complete list of proponent witnesses. Federal Trade Commission representatives will be heard in opposition commencing February 27, to be followed by other opponent witnesses.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1081. A letter from the Secretary of War, transmitting a draft of a proposed bill to amend the Canal Zone Code, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

1082. A letter from the Administrator, Surplus Property Administration, transmitting a report on radio and electrical equipment; to the Committee on Expenditures in the Executive Departments.

1083. A letter from the Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on Disposition of Executive Papers.

1084. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill for the retirement of public-school teachers in the District of Columbia; to the Committee on the District of Columbia.

1085. A letter from the Archivist of the United States, transmitting a draft of a proposed bill to amend section 10 of the act establishing a National Archives of the United States Government; to the Committee on the Library.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 530. Resolution providing for the consideration of H. R. 4761, a bill to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the

availability of real estate for housing purposes at fair and reasonable prices, and for other purposes; without amendment (Rept. No. 1593). Referred to the House Calendar.

Mr. MURDOCK: Committee on Irrigation and Reclamation. Senate Joint Resolution 136. Joint resolution changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill; without amendment (Rept. No. 1594). Referred to the House Calendar.

Mr. CAMP: Committee on Ways and Means. H. R. 3611. A bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes; without amendment (Rept. No. 1595). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1596. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1597. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRUMBAUGH:

H. R. 5543. A bill to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave; to the Committee on Military Affairs.

By Mr. HAGEN:

H. R. 5544. A bill authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN of Iowa:

H. R. 5545. A bill granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near the town of Farmington, Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. REED of New York:

H. R. 5546. A bill to provide for salary payments to certain individuals who while Members of the House of Representatives of the Seventy-seventh Congress served in the military or naval forces of the United States; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 5547. A bill to authorize a preliminary survey to determine the feasibility of constructing a canal from the Apalachicola River, near Wewahatcha, Fla., to East Bay, Fla.; to the Committee on Rivers and Harbors.

H. R. 5548. A bill to authorize a preliminary survey to determine the feasibility of reopening West Gap across St. Georges Island, Fla., from the Gulf of Mexico into Apalachicola Bay, Fla.; to the Committee on Rivers and Harbors.

By Mr. McDONOUGH:

H. R. 5549. A bill to provide that a veteran's compensation, pension, or retirement pay shall not be reduced during his hospitalization or domiciliary care; to the Committee on World War Veterans' Legislation.

By Mr. BRADLEY of Michigan:

H. R. 5550. A bill to provide funds for cooperation with the board of education of the Superior-Bay Mills Township Rural Agricultural High School, Brimley, Mich., in the construction of public-school facilities to be available to Indian children; to the Committee on Indian Affairs.

By Mr. HARLESS of Arizona:

H. R. 5551. A bill to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave; to the Committee on Military Affairs.

By Mr. KING:

H. R. 5552. A bill relating to the sale by the United States of surplus vessels suitable for tuna fishing; to the Committee on Expenditures in the Executive Departments.

By Mrs. ROGERS of Massachusetts:

H. R. 5553. A bill relating to veterans' preferences in purchasing surplus property suitable for residential purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. D'ALESSANDRO:

H. R. 5554. A bill to provide for the establishment of the General Sam Smith National Historical Park in Baltimore, Md.; to the Committee on the Public Lands.

By Mr. HARRIS:

H. R. 5555. A bill to amend the Rural Electrification Act of 1936, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H. J. Res. 321. Joint resolution to authorize the making of settlement on account of certain currency destroyed at Fort Mills, P. I., and for other purposes; to the Committee on Banking and Currency.

By Mr. BENNET of New York:

H. Con. Res. 129. Concurrent resolution to provide for a joint committee to investigate conditions in Palestine; to the Committee on Rules.

By Mr. PRICE of Illinois:

H. Res. 531. Resolution investigating the disruption of transportation on Toledo, Peoria & Western Railroad; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER. Memorial of the legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to increase the aid to dependent children program; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUFFETT:

H. R. 5556. A bill for the relief of Jon Ovezia; to the Committee on Immigration and Naturalization.

By Mr. LEONARD W. HALL:

H. R. 5557. A bill for the relief of Mike Sopko; to the Committee on Claims.

By Mr. SIKES:

H. R. 5558. A bill for the relief of Mrs. W. T. Scarborough; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1612. By Mr. CLASON: Petition of the General Court of Massachusetts, urging the Congress to immediately pass legislation to so amend the Federal aid to dependent children law as to permit the matching with Federal funds of all amounts expended by States, or their political subdivisions, on account of aid to dependent children; to the Committee on Ways and Means.

1613. By Mr. DONDERO: Petition of the American Mothers of Detroit, Mich., expressing their opposition to a loan to Great Britain or similar loans that may be proposed to other nations but that attention be focused on the interests of this Republic (United States) and its citizens, including GI Joe; to the Committee on Banking and Currency.

1614. By Mr. DONDERO: Petition of the American Mothers of Detroit, Mich., urging that steps be taken to place the wheels in motion to include in any program for permanent peace in which the United States shall participate a disarmament provision for all nations and that an office to be known as Secretary of Peace be included within the President's Cabinet; to the Committee on Foreign Affairs.

1615. By Mr. GOODWIN: Memorial of the General Court of Massachusetts, to increase the aid to dependent children program; to the Committee on Ways and Means.

1616. By Mr. GRAHAM: Petition of 90 Pennsylvania Railroad employees, in support of House bill 1737, the Railroad Pension Act; to the Committee on Interstate and Foreign Commerce.

1617. By Mr. SUNDBSTROM: A concurrent resolution of the New Jersey State Legislature, memorializing the United States Senate and House of Representatives not to ratify any treaty or agreement with the Dominion of Canada or pass any legislation which may provide for the construction of the St. Lawrence seaway; to the Committee on Foreign Affairs.

1618. By Mr. WELCH: Memorial of California House, Resolution No. 86, relating to development of Alaska and amendment of Servicemen's Readjustment Act of 1944, extending benefits to veterans for Alaska homesteads; to the Committee on World War Veterans' Legislation.

1619. Also, memorial of California Assembly, Joint Resolution No. 8, relative to amendment and extension of the Federal Social Security Act in respect to public assistance; to the Committee on Ways and Means.

1620. Also, memorial of California Assembly, Joint Resolution No. 15, relative to migratory birds and the open season for the taking thereof; to the Committee on Agriculture.

AUTHORIZING THE CONDEMNATION OF MATERIALS WHICH ARE
INTENDED FOR USE IN PROCESS OR RENOVATED BUTTER AND
WHICH ARE UNFIT FOR HUMAN CONSUMPTION

FEBRUARY 21, 1946.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. CAMP, from the Committee on Ways and Means, submitted the
following

REPORT

[To accompany H. R. 3611]

The Committee on Ways and Means, to whom was referred the bill (H. R. 3611) to amend section 2325 of the Internal Revenue Code, approved February 10, 1939 (53 Stat. 254), by authorizing the condemnation of materials which are intended for use in process or renovated butter, and which are unfit for human consumption, and for other purposes, having considered the same, report thereon and recommend that the bill do pass.

GENERAL STATEMENT

This bill would revise completely section 2325 of the Internal Revenue Code by establishing and maintaining continuous inspection of all qualified establishments which manufacture process butter and seeks thereby to correct a long-existing weakness in present law. It is patterned after the Meat Inspection Act and provides for the inspection of all raw materials entering into the manufacture of process butter; for the inspection and labeling of the finished product; for sanitary control over the factories in which the product is prepared; and for the adoption of uniform regulations governing the manufacture and sale of the product. There is no disposition to legislate process butter out of existence, because it has a definite place in the Nation's food supply and it does provide an outlet for farm butter, particularly in the South. However, the product ought to be clean, healthful, wholesome, and fit for human consumption.

To that end, section 2325 of the Internal Revenue Code conferred upon the Secretary of Agriculture authority to ascertain all materials used in the manufacture of process butter which are deleterious to

health or unwholesome in the finished product, and, in case such deleterious or unwholesome materials are found in the finished product, it authorized him to confiscate the lot. Little, if any, process butter has ever been condemned under that authority, because insoluble foreign matter which may be present in the stock from which the processed butter is made, and which may otherwise render the finished product unfit for human consumption, is removed in the course of manufacture, and soluble foreign matter, including, frequently, the fat of maggots, is impossible of detection in the finished product without careful and expensive chemical and microscopic analyses. By the time such an analysis can be completed, the product has usually entered commerce and, perhaps, has been entirely consumed. In order to safeguard the health of the consumers, therefore, it is essential to authorize the condemnation of butter, milk, butter oil, and other ingredients containing filthy or decomposed animal or vegetable matter which ordinarily is not removed in the process of manufacture. This bill, therefore, provides for the inspection and condemnation of materials unfit for human consumption before manufacture.

Formerly, protection was afforded consumers by various State laws. Until the fall of 1941, although the hands of the Department of Agriculture were virtually tied by the lack of authority to proceed against the ingredients intended to be used in the manufacture of the finished product when they were found to contain unwholesome or deleterious foreign matter, considerable assistance was given by the officials of the States in which the factories were located by seizing the contaminated ingredients under State laws. On February 2, 1942, however, the Supreme Court of the United States, in the case entitled *Cloverleaf Butter Company v. Patterson* (315 U. S. 148, as amended in 315 U. S. 786), held, in effect, that the Federal law and the regulations of the Department of Agriculture issued thereunder occupy the field with respect to the preparation of, and interstate commerce in, process or renovated butter, and that the States are without authority to condemn any filthy material in the factory prior to its conversion into the finished product. This leaves a situation in which neither the Department of Agriculture nor a State may now proceed against unwholesome ingredients in a factory before they are processed or renovated, and renders more acute the need for remedial legislation.

The bill (H. R. 3611) was submitted to the Department of Agriculture and to the Department of Commerce for their opinions, and their replies to Hon. Robert L. Doughton, chairman of the Committee on Ways and Means, are as follows:

DEPARTMENT OF AGRICULTURE,
Washington 25, February 7, 1946.

HON. ROBERT L. DOUGHTON,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, D. C.

DEAR MR. DOUGHTON: This is in further reply to your request of December 11, 1945, for a report on H. R. 3611, entitled "A bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes."

Under existing law, as construed by the legal office of this Department, the Department's authority is limited to the condemnation of process or renovated butter only when the finished product is found to contain foreign matter which would render it unfit for human consumption. As a result, little, if any, process butter is condemned. Insoluble foreign matter that may have been present in the original stock would be removed in the course of manufacture, and soluble

foreign matter, which obviously cannot be removed in the manufacturing process and which renders the final product unfit for human consumption, can be detected in the finished product only with the greatest difficulty, if at all. Even if detection in the finished product were possible, the detection would not be made until after the product has entered into commerce and had, perhaps, been consumed.

In order to safeguard the health of consumers of process or renovated butter, the Department must have authority to condemn butter, milk, butter oil, and other ingredients containing foreign matter which cannot be removed in the course of manufacture and which, if not removed, would render the finished produce unfit for human consumption. The Department believes that there is a place for process or renovated butter in the Nation's food supply. The manufacture of this product provides a good outlet for farm butter, particularly in the South, but it obviously should be clean and wholesome and not constitute a menace to the health of the consumer.

A similar bill, designated S. 1006, after the incorporation of amendments which were concurred in by both the renovated-butter industry and this Department, was introduced in the Seventy-eighth Congress by Senator George. This bill passed the Senate March 14, 1944, and was referred to your committee March 15, 1944. The provisions of the bill H. R. 3611, now before your committee, are identical with those of S. 1006.

When the Department's report on the latter bill was submitted it was thought that this enforcement work could be handled by existing personnel incidental to their regular duties, thus avoiding the need for additional funds. After further study, however, it seems that continuous factory inspection would be required to give full effect to the proposed legislation. Approximately \$15,000 additional per year would be necessary for the employment of the additional personnel needed by the Bureau of Dairy Industry to properly carry out the responsibilities of the Department under this bill.

After careful consideration of the proposed legislation as embodied in the current bill, I am of the opinion that H. R. 3611 is highly desirable and I recommend its favorable consideration by your committee.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Sincerely,

CLINTON P. ANDERSON, *Secretary.*

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington 25, February 15, 1946.

HON. ROBERT L. DOUGHTON,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: Reference is made to your communication of December 11, 1945, requesting the views of this Department with respect to H. R. 3611, a bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

Under section 2325 of the Internal Revenue Code as presently in effect, the control over the quality of process or renovated butter is effective relative to the finished product. The proposed bill places the emphasis on the ingredients of which the renovated or process butter is made. As a result, there is double protection for the consumer through inspection of the raw materials going into the product as well as process and renovated butter itself.

Process or renovated butter is made by five plants in the United States. The farmers sell their surplus butter (usually off grade in quality) to traders who in turn sell to the processors of renovated butter. The new section of the Internal Revenue Code would affect principally the traders. In order for their butter to qualify as "Inspected and Passed," care will be required to keep their purchases from farmers in good condition, which is not always true at present. The processors are reported as favoring the bill as it will provide them with better raw materials, making possible a better finished product.

As it seems reasonable that control of food products for sanitary and health purposes should extend to the raw materials going into them, as well as to the final product, the bill is considered entirely justified.

The Bureau of the Budget has advised that there would be no objection to the submission of this letter to your committee.

Sincerely yours,

H. A. WALLACE, *Secretary of Commerce.*

As can be seen from the above letters, both the Secretary of the Department of Agriculture and the Secretary of the Department of Commerce have endorsed this bill. Further, the qualified process-butter manufacturers are in favor of this bill. It has the approval of the Association of Food and Drug Officials of the United States, as well as the International Association of Milk Sanitarians, both of which have passed resolutions endorsing it. The executive committee of the National Cooperative Milk Producers Federation is also on record in favor of this bill and, in addition, editorial endorsements of it in the dairy trade press have been noted.

In view of the foregoing facts and endorsements, it is recommended that the bill be passed.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

INTERNAL REVENUE CODE

[SEC. 2325. INSPECTION, MANUFACTURE, STORAGE, AND MARKING OF PROCESS OR RENOVATED BUTTER.

[The Secretary of Agriculture is authorized and required to cause a rigid sanitary inspection to be made, at such times as he may deem proper or necessary, of all factories and storehouses where process or renovated butter is manufactured, packed, or prepared for market, and of the products thereof and materials going into the manufacture of the same. All process or renovated butter and the packages containing the same shall be marked with the words "Renovated Butter" or "Process Butter" and by such other marks, labels, or brands and in such manner as may be prescribed by the Secretary of Agriculture, and no process or renovated butter shall be shipped or transported from its place of manufacture into any other State or Territory or the District of Columbia, or to any foreign country, until it has been marked as provided in this section. The Secretary of Agriculture shall make all needful regulations for carrying this section and sections 2326 (c) and 2327 (b) into effect and shall cause to be ascertained and reported from time to time the quantity and quality of process or renovated butter manufactured, and the character and the condition of the material from which it is made. And he shall also have power to ascertain whether or not materials used in the manufacture of said process or renovated butter are deleterious to health or unwholesome in the finished product, and in case such deleterious or unwholesome materials are found to be used in product intended for exportation or shipment into other States or in course of exportation or shipment he shall have power to confiscate the same.]

SEC. 2325. INSPECTION OF PROCESS OR RENOVATED BUTTER.

For the purpose of protecting interstate and foreign commerce from process or renovated butter which is unclean, unwholesome, unhealthful, or otherwise unfit for human food—

(a) *The Secretary of Agriculture shall, through inspectors appointed by him, cause inspections to be made of all milk, butter, butter oil, and other ingredients intended for use in the manufacture of process or renovated butter. All ingredients which are found to be putrid or decomposed or which contain organic or inorganic substances which are foreign to such ingredients when properly made, manufactured, produced, collected, stored, transported, or handled, and which organic or inorganic substances cannot be removed by processing, shall be deemed unfit for use in the manufacture of process or renovated butter, shall be marked "U. S. Inspected and Condemned," and shall be denatured or destroyed under the supervision of the inspector. All other ingredients shall be marked "U. S. Inspected and Passed," and shall be deemed fit for use in the manufacture of process or renovated butter.*

(b) *The Secretary of Agriculture shall cause inspections to be made of all process or renovated butter. If such butter is found to be clean, wholesome, healthful, and otherwise fit for human food, it shall be marked "U. S. Inspected and Passed." Process or renovated butter that is found to be unclean, unwholesome, unhealthful, or otherwise unfit for human food shall be denatured or destroyed under the supervision of the inspector.*

(c) *The Secretary of Agriculture shall cause inspections to be made of all factories wherein process or renovated butter is manufactured to determine the sanitary conditions thereof, and if it is found that the conditions existing in any such factory do not meet the standards prescribed by the Secretary in his regulations, he shall cause inspection to be withdrawn therefrom.*

(d) *The Secretary of Agriculture is authorized to withdraw inspection from any factory wherein process or renovated butter is made, if the manufacturer shall fail to comply with any of the provisions of this section or with any of the rules and regulations prescribed hereunder.*

(e) *The Secretary of Agriculture is authorized to make such rules and regulations as he deems necessary for the efficient administration of the provisions of this section, and all inspections hereunder shall be made in such manner as may be prescribed in such regulations. The Secretary of Agriculture may, from time to time, by regulations define the foreign substances and the extent thereof that render the ingredients unfit for use in manufacturing process or renovated butter.*

(f) *No person, firm, or corporation shall transport, or offer for transportation, or sell or offer for sale, in interstate or foreign commerce, or in commerce affecting commerce among the States, any process or renovated butter that has not been inspected and passed and marked, labeled, and branded in accordance with this section and the regulations issued hereunder.*

(g) *The administration and enforcement of the provisions of this Act, other than its provisions relating to revenue, but including the seizure and denaturing or destruction of ingredients intended to be used in the manufacture of process or renovated butter and the denaturing or destruction of process or renovated butter, are committed exclusively to the Secretary of Agriculture: Provided, That any powers and duties of the Food and Drug Administration of the Federal Security Agency under the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301, and the following), as regards such ingredients before they come into the possession of the manufacturers of process or renovated butter, or as regards such powers and duties in connection with process or renovated butter after it leaves such manufacturers and comes into the hands of wholesale or retail dealers, or others, shall not be affected by this Act.*

(h) *The Secretary of Agriculture shall cause to be ascertained, and he shall report, from time to time, the quantity and quality of all process or renovated butter manufactured and the character and condition of the materials from which it is made.*

(i) *No person, firm, or corporation shall forge, counterfeit, simulate, falsely represent, detach, or knowingly alter, deface, or destroy, or use without proper authority, any of the marks, stamps, labels, or tabs provided for in this section or in any regulations prescribed hereunder by the Secretary of Agriculture for use on process or renovated butter or on wrappers, packages, containers, or cases in which the product is contained, or any certificate in relation thereto.*

(j) *All process or renovated butter and the packages or containers thereof shall be marked with the words "Process Butter" and by such other marks, labels, or brands, and in such manner, as may be prescribed by the Secretary of Agriculture.*

(k) *No statement that is false or misleading in any particular shall be placed on or affixed to any wrapper, label, carton, or container of process or renovated butter.*

SEC. 2326. PENALTIES.

* * * * *

(c) **FAILURE TO COMPLY WITH PROVISIONS RELATING TO THE MANUFACTURE, STORAGE, AND MARKING OF PROCESS OR RENOVATED BUTTER.**—Any person, firm, or corporation violating any of the provisions of section 2325 shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not less than \$50 nor more than \$500 or by imprisonment not less than one month nor more than six months, or by both said punishments more than \$1,000 or by imprisonment for a period of not more than six months, or by both such fine and imprisonment, in the discretion of the court.

SEC. 2327. OTHER LAWS APPLICABLE.

(a) **OLEOMARGARINE.**—The provisions of sections 2301 (c) (2), 2305 to 2311 inclusive (except subsections (a), (b), and (h) of section 2308), and section 3791 (a) (1), shall apply to manufacturers of adulterated butter to an extent necessary

Union Calendar No. 479

79TH CONGRESS
2^D SESSION

H. R. 3611

[Report No. 1595]

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 1945

Mr. CAMP introduced the following bill; which was referred to the Committee on Ways and Means

FEBRUARY 21, 1946

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2325 of the Internal Revenue Code, approved
4 February 10, 1939 (53 Stat. 254), is amended to read as
5 follows:

6 "SEC. 2325. INSPECTION OF PROCESS OR RENOVATED
7 BUTTER.

8 "For the purpose of protecting interstate and foreign
9 commerce from process or renovated butter which is unclean,

1 unwholesome, unhealthful, or otherwise unfit for human
2 food—

3 “(a) The Secretary of Agriculture shall, through in-
4 spectors appointed by him, cause inspections to be made of
5 all milk, butter, butter oil, and other ingredients intended for
6 use in the manufacture of process or renovated butter. All
7 ingredients which are found to be putrid or decomposed or
8 which contain organic or inorganic substances which are
9 foreign to such ingredients when properly made, manu-
10 factured, produced, collected, stored, transported, or handled,
11 and which organic or inorganic substances cannot be removed
12 by processing, shall be deemed unfit for use in the manu-
13 facture of process or renovated butter, shall be marked
14 ‘U. S. Inspected and Condemned’, and shall be denatured
15 or destroyed under the supervision of the inspector. All
16 other ingredients shall be marked ‘U. S. Inspected and
17 Passed’, and shall be deemed fit for use in the manufacture
18 of process or renovated butter.

19 “(b) The Secretary of Agriculture shall cause inspec-
20 tions to be made of all process or renovated butter. If such
21 butter is found to be clean, wholesome, healthful, and other-
22 wise fit for human food, it shall be marked ‘U. S. Inspected
23 and Passed’. Process or renovated butter that is found to
24 be unclean, unwholesome, unhealthful, or otherwise unfit

1 for human food shall be denatured or destroyed under the
2 supervision of the inspector.

3 “(c) The Secretary of Agriculture shall cause inspec-
4 tions to be made of all factories wherein process or renovated
5 butter is manufactured to determine the sanitary conditions
6 thereof, and if it is found that the conditions existing in
7 any such factory do not meet the standards prescribed by
8 the Secretary in his regulations, he shall cause inspection
9 to be withdrawn therefrom.

10 “(d) The Secretary of Agriculture is authorized to
11 withdraw inspection from any factory wherein process or
12 renovated butter is made, if the manufacturer shall fail to
13 comply with any of the provisions of this section or with
14 any of the rules and regulations prescribed hereunder.

15 “(e) The Secretary of Agriculture is authorized to make
16 such rules and regulations as he deems necessary for the
17 efficient administration of the provisions of this section, and
18 all inspections hereunder shall be made in such manner as
19 may be prescribed in such regulations. The Secretary of
20 Agriculture may, from time to time, by regulations define
21 for human food shall be denatured or destroyed under the
22 the ingredients unfit for use in manufacturing process or
23 renovated butter.

24 “(f) The Secretary of Agriculture shall cause to be

1 ascertained, and he shall report, from time to time, the
2 quantity and quality of all process or renovated butter manu-
3 factured and the character and condition of the materials
4 from which it is made.

5 “(g) No person, firm, or corporation shall forge,
6 counterfeit, simulate, falsely represent, detach, or know-
7 ingly alter, deface, or destroy, or use without proper
8 authority, any of the marks, stamps, labels, or tabs pro-
9 vided for in this section or in any regulations prescribed
10 hereunder by the Secretary of Agriculture for use on process
11 or renovated butter or on wrappers, packages, containers,
12 or cases in which the product is contained, or any certificate
13 in relation thereto.

14 “(h) All process or renovated butter and the packages
15 or containers thereof shall be marked with the words
16 ‘Process Butter’ and by such other marks, labels, or brands,
17 and in such manner, as may be prescribed by the Secretary
18 of Agriculture.

19 “(i) No statement that is false or misleading in any
20 particular shall be placed on or affixed to any wrapper,
21 label, carton, or container of process or renovated butter.

22 “(j) No person, firm, or corporation shall transport,
23 or offer for transportation, or sell or offer for sale, in inter-
24 state or foreign commerce, or in commerce affecting com-
25 merce among the States, any process or renovated butter

1 that has not been inspected and passed and marked, labeled,
2 and branded in accordance with this section and the regula-
3 tions issued hereunder.

4 “(k) The administration and enforcement of the pro-
5 visions of this Act, other than its provisions relating to
6 revenue, but including the seizure and denaturing or destruc-
7 tion of ingredients intended to be used in the manufacture
8 of process or renovated butter and the denaturing or destruc-
9 tion of process or renovated butter, are committed exclusively
10 to the Secretary of Agriculture: *Provided*, That any powers
11 and duties of the Food and Drug Administration of the Fed-
12 eral Security Agency under the Federal Food, Drug, and
13 Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301,
14 and the following), as regards such ingredients before they
15 come into the possession of the manufacturers of process or
16 renovated butter, or as regards such powers and duties in
17 connection with process or renovated butter after it leaves
18 such manufacturers and comes into the hands of wholesale
19 or retail dealers, or others, shall not be affected by this Act.”

20 SEC. 2. Subsection (c) of section 2326 of the Internal
21 Revenue Code (53 Stat. 255) is amended by striking out
22 “shall be punished by a fine of not less than \$50 nor more
23 than \$500 or by imprisonment for not less than one month
24 nor more than six months, or by both said punishments,”
25 and by inserting in lieu thereof the following: “shall be

1 punished by a fine of not more than \$1,000 or by imprison-
2 ment for a period of not more than six months, or by both
3 such fine and imprisonment.”

4 SEC. 3. Section 2327 of the Internal Revenue Code (53
5 Stat. 255) is amended by striking out subsections (b) and
6 (c) of said section.

7 SEC. 4. If any provision of this Act or the application
8 thereof to any person or circumstance is held invalid, the
9 validity of the remainder of the Act and of the application
10 of such provision to other persons or circumstances shall
11 not be affected thereby.



79TH CONGRESS
2^D SESSION

H. R. 3611

[Report No. 1595]

A BILL

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

By Mr. CAMP

JUNE 28, 1945

Referred to the Committee on Ways and Means

FEBRUARY 21, 1946

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

III. Research and staff facilities.

1. Enlargement of Legislative Reference Service. "That the Legislative Reference Service in the Library of Congress be expanded by increasing its appropriation for...1947 to \$500,000, to \$650,000 for...1948, and thereafter to \$750,000 per year..."
2. Relieving members of nonlegislative work load. "That each...office be authorized to employ a high-caliber administrative assistant at...\$8,000!"
3. Establishment of congressional personnel office.
4. Creation of a stenographic pool.

IV. Strengthening fiscal control.

1. Adoption of annual Federal Budget totals. "That by joint action the Revenue and Appropriations Committees of both Houses submit to the Congress within 60 days after each session opens (or by April 15) a concurrent resolution setting over-all Federal receipts and expenditures (estimated) for the coming fiscal year. If total expenditures recommended exceed estimated income, Congress should be required by record vote to authorize creation of additional Federal debt in the amount of the excess. All appropriations, excepting those of a permanent nature, interest on the public debt, veterans' pensions and benefits, trust expenditures, and public-debt retirement, would be reduced by a uniform percentage in case total appropriations exceeded the amount of the approved Budget figure."
2. Organizing and staffing of appropriations committees. "That all appropriation bills be fully and carefully considered by the full Appropriations Committees of both Houses; that the present practice of holding all Appropriations Committee hearings in executive or secret sessions cease; that committee hearings and reports on appropriation bills be laid before the House and Senate a minimum of three legislative days before their floor consideration; that a uniform appropriation classification be devised and incorporated in the hearings; that four qualified staff assistants be assigned to each of the appropriation subcommittees to serve both the majority and minority members; and that modern accounting machinery and equipment be provided for each committee staff."
3. Service audits by GAO. "That the General Accounting Office be directed to submit each year a general service audit of each agency of government (including government corporations), furnishing information to the Congress on the general financial operation of the agency and its care in handling governmental funds."
4. Discontinuance of indefinite appropriations. "That all appropriations be in definite amounts and that the custom of reappropriating unexpended balances be discontinued except for continuing public works; that transfer of funds between agencies and departments be discontinued; and that all regular governmental agencies and departments be placed on a uniform basis of returning to the Treasury income from sales of services."
5. Legislation on appropriation bills. "That the practice of attaching legislation to appropriation bills be discontinued; that the rules be tightened effectively to prevent under the parliamentary guise of "economy limitations" amendments which are, in fact, designed to effect legislative changes; that the Comptroller General survey various limitations on appropriation bills to determine those which require more money to carry out than they save; and that the Appropriations Committees study means for limiting any increase in permanent appropriations."

V. More efficient use of congressional time.

1. Self-rule for D. C.
2. Delegation of private claims. "That Congress delegate authority to the Federal courts and to the Court of Claims to hear and settle claims

-4-

against the Federal Government; and that Government agencies and departments be empowered to handle local and private matters now provided for in private bills, such as private pension bills and legislation authorizing construction of bridges over navigable streams."

3. Limitations on sessions. "That Congress provide for a regular recess period at the close of each fiscal year to insure the return of Members to their constituencies at definite intervals each year."

4. Meeting schedules. "That Congress experiment with changing schedules for meetings so as to provide alternately three full days for committee meetings and three full days for Chamber sessions; and that Congress experiment with evening sessions."

VI. Registration of organized groups.

1. Registration of representatives. "That Congress enact legislation providing for the registration of organized groups and their agents who seek to influence legislation and that such registration include quarterly statements of expenditures made for this purpose."

VII. Congressional pay and retirement.

1. Increase in salaries. "That beginning with the Eightieth Congress the annual salary of Members of Congress be increased to \$15,000, and that all of the salary be taxed on the same basis...as business and professional returns."

2. Inclusion of Congress in retirement system.

3. Increase in compensation of officers of Congress.

VIII. Other recommendations.

1. Remodeling of House and Senate chambers.

2. Remodeling of caucus rooms.

3. Improvement of restaurant facilities.

4. Assignment of Capitol police.

5. Facilities and supervision of pages.

6. Improvement of Congressional Record. "That the daily program of the Congress, including the legislative sessions, scheduled committee hearings, and location of these meetings be printed in the Congressional Record; and that a brief resume of the previous day's congressional activities be incorporated in the Record together with an index of its contents."

7. Transfer of records of Congress to Archives.

The committee report states that the committee also considered the seniority rule and the powers of the House Rules Committee but could not agree. The Ke-fauver resolution (question period for department heads) and limitation of Senate debate were outside the scope of the committee's jurisdiction.

HOUSE

2. HOUSING. Continued debate on H. R. 4761, the Patman housing bill (pp. 1891-3, 1900-26). Rejected, 92-161, an amendment by Rep. Monroney, Okla., to provide for housing subsidies (pp. 1914-26). Agreed to an amendment by Rep. Crawford, Mich., to provide specifically for allocation of materials for farm buildings (pp. 1906, 1909). Rep. Rich, Pa., spoke against subsidies on farm products (p. 1910).

3. BUTTER INSPECTION. Passed without amendment H. R. 3611, to authorize this Department to condemn unfit materials to be used in process or renovated butter (pp. 1896-7).

4. CONGRESSIONAL REORGANIZATION. Received the La Follette-Monroney Committee report (see item 1) (p. 1890). (H. Rept. 1675.)

ages as set out in the bill can be collected.

Mr. CRAVENS. And such damages could still be recovered under the existing law in the case of willful infringement.

Mr. COLE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4921 of the Revised Statutes of the United States (35 U. S. C. A. 70) is hereby amended to read as follows:

"The several courts vested with jurisdiction of cases arising under the patent laws shall have power to grant injunctions according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable; and upon a decree being rendered in any case for an infringement the complainant shall be entitled to recover general damages which shall be due compensation for making, using, or selling the invention, not less than a reasonable royalty therefor, together with his costs and reasonable attorney's fees to be fixed by the court and interest from the time the infringement occurred.

"The court is hereby authorized to receive expert or opinion evidence upon which to determine in conjunction with any other evidence in the record, due compensation for making, using, or selling the invention, and such expert or opinion evidence is hereby declared to be competent and admissible subject to the general rules of evidence applicable thereto.

"The court shall assess said damages, or cause the same to be assessed, under its direction and shall have the same power to increase the assessed damages, in its discretion, as is given to increase the damages found by verdicts in actions in the nature of actions of trespass upon the case; but recovery shall not be had for any infringement committed more than 6 years prior to the filing of the complaint in the action. And it shall be the duty of the clerks of such courts within 1 month after the filing of any action, suit, or proceeding arising under the patent laws to give notice thereof in writing to the Commissioner of Patents, setting forth in order so far as known the names and addresses of the litigants, names of the inventors, and the designating number or numbers of the patent or patents upon which the action, suit, or proceeding has been brought, and in the event any other patent or patents be subsequently included in the action, suit, or proceeding by amendment, answer, cross-bill, or other pleading, the clerk shall give like notice thereof to the Commissioner of Patents, and within 1 month after the decision is rendered or a decree issued the clerk of the court shall give notice thereof to the Commissioner of Patents, and it shall be the duty of the Commissioner of Patents on receipt of such notice forthwith to endorse the same upon the file wrapper of the said patent or patents, and to incorporate the same as a part of the contents of said file or file wrapper; and for each notice required to be furnished to the Commissioner of Patents in compliance herewith a fee of 50 cents shall be taxed by the clerk as costs of suit."

This act shall take effect upon approval and shall apply to pending causes of action in which the taking of the testimony has not been concluded.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICERS AND EMPLOYEES OF PATENT OFFICE

The Clerk called the bill (H. R. 4080) to amend section 476, Revised Statutes (U. S. C., title 35, sec. 2), providing for officers and employees of the Patent Office, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 476 of the Revised Statutes, as amended (U. S. C., title 35, sec. 2), is amended to read as follows:

"Sec. 476. There shall be in the Patent Office a Commissioner of Patents, one First Assistant Commissioner, two Assistant Commissioners, and nine examiners in chief, who shall be appointed by the President, by and with the advice and consent of the Senate: *Provided*, That the primary examiners and the law examiners of the Patent Office shall be authorized to serve as examiners in chief, but no such examiner shall so serve for more than 30 days in any calendar year and then only by direction of the Commissioner of Patents. The First Assistant Commissioner and the Assistant Commissioners shall perform such duties pertaining to the office of Commissioner as may be assigned to them, respectively, from time to time by the Commissioner of Patents. All other officers, clerks, and employees authorized by law for the office shall be appointed by the Secretary of Commerce upon the nomination of the Commissioner of Patents, in accordance with existing law."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISH HATCHERY IN COMANCHE COUNTY, OKLA.

The Clerk called the bill (H. R. 1389) providing for the transfer of a certain fish hatchery in Comanche County, Okla., to the city of Lawton, Okla.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I do so for the purpose of making some inquiries from any Member who may be familiar with the possible effects of this bill. If there is no Member present who can explain the bill, I will ask that the bill be passed over without prejudice.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to find out what the value of this property is and how much money has been spent by the Federal Government on it and why they should give it to the city.

Mr. COLE of New York. That is one of the questions I was going to ask. If there is no one present who can explain the bill, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MARINE RADIOTELEGRAPH OPERATORS

The Clerk called the bill (H. R. 5466) to provide for the licensing of marine radiotelegraph operators, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whenever the complement of any vessel prescribed pursuant to section 4463 of the Revised Statutes, as amended (46 U. S. C., sec. 222), includes

one or more radiotelegraph operators such operators shall be required to be licensed officers.

Sec. 2. The boards of local inspectors authorized under section 4414 of the Revised Statutes (U. S. C., 1940 ed., title 46, sec. 382) shall license radiotelegraph operators, and it shall be unlawful to employ any person or for any person to serve as a radiotelegraph operator of any steamer or of any other vessel of over one hundred gross tons carrying passengers for hire who is not licensed by the inspectors; and anyone violating this section shall be liable to a penalty of \$100 for each offense.

Sec. 3. Whenever any person applies for authority to perform the duties of radiotelegraph operator of any vessel, the inspectors shall require possession of a valid radiotelegraph license issued by the Federal Communications Commission; and if, upon full consideration, they are satisfied that his character, habits of life, and physical condition are such as to authorize the belief that he is a suitable and safe person to be entrusted with the powers and duties of such a station, they shall grant him a license, authorizing him to be employed in such duties for the term of 5 years, provided he continues to hold a valid radiotelegraph license issued by the Federal Communications Commission.

All licenses issued under this section shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of license of officers under the provisions of section 4450 of the Revised Statutes, as amended.

Sec. 4 (a) Section 2 of the act of March 4, 1915 as amended (U. S. C., 1940 ed., title 46, sec. 673), is amended by striking out the period after the words "management of the vessel" and inserting a colon and the following words: "*Provided*, That in the case of radiotelegraph operators this requirement shall be applicable only when three or more radio officers are employed."

(b) Nothing in this act shall be presumed to repeal the provisions of section 2 of the act of March 4, 1915, as amended (U. S. C., 1940 ed., title 46, sec. 673), limiting the work of radiotelegraph operators to 8 hours in 1 day.

Sec. 5. Every radiotelegraph operator who receives a license shall, before entering upon his duties, make oath before one of the inspectors herein provided for, to be recorded with the certificate, that he will faithfully and honestly, according to his best skill and judgment, within concealment or reservation, perform all the duties required of him by law.

Every applicant for license as radiotelegraph operator under the provisions of this act shall make and subscribe to an oath or affirmation, before one of the inspectors referred to in this act, to the truth of all the statements set forth in his application for such license.

Any person who shall make or subscribe to any oath or affirmation authorized in this act and knowing the same to be false shall be deemed guilty of perjury.

Every radiotelegraph operator who shall change, by addition, interpolation, or erasure of any kind, any certificate or license issued by an inspector or inspectors referred to in this act shall, for every such offense, upon conviction, be punished by a fine of not more than \$500 or by imprisonment at hard labor for a term not exceeding 3 years.

Sec. 6. Every radiotelegraph operator who shall receive a license shall, when employed upon any vessel, within 48 hours after going on duty, place his certificate of license, which shall be framed under glass, in some conspicuous place in such vessel, where it can be seen by passengers and others at all times: *Provided*, That in case of emergency such radiotelegraph operator may be transferred to another vessel of the same owners for a

period not exceeding 48 hours without the transfer of his license; and for every neglect to comply with this provision by any such radiotelegraph operator, he shall be subject to a fine of \$100 or to the revocation of his license.

SEC. 7. Nothing in this act shall affect the number of radiotelegraph operators while serving aboard vessels operating solely on the Great Lakes.

SEC. 8. Nothing in this act shall increase the number of radiotelegraph operators at present required by law to be carried on vessels, or the type of vessels on which radiotelegraph operators are required to be carried, or to alter, repeal, modify, or affect any other statute of the United States, it being the only intent of this act to give to radiotelegraph operators the status of licensed officers as herein provided without affecting in any way any statute of the United States except as specifically hereinbefore authorized.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERMS OF OFFICE OF MEMBERS OF FEDERAL POWER COMMISSION

The Clerk called the bill (H. R. 3704), to amend section 1 of the Federal Power Act, with respect to the terms of office of members of the Federal Power Commission.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second paragraph of section 1 of the Federal Power Act, as amended (U. S. C., 1940 ed., title 16, sec. 792), is amended by inserting immediately after the second sentence thereof a new sentence as follows: "Upon the expiration of his term of office a commissioner shall continue to serve until his successor is appointed and shall have qualified."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HIGHWAY BRIDGE OVER THE PEE DEE RIVER NEAR CASHUA FERRY, S. C.

The Clerk called the bill (H. R. 5275) to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River, at or near Cashua Ferry, S. C., approved April 30, 1940.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved April 30, 1940, granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a bridge and approaches thereto across the Pee Dee River, at or near Cashua Ferry, be, and is hereby, revived and reenacted: *Provided,* That this act shall be null and void unless the actual construction of the bridge herein referred is completed within 3 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS CONNECTICUT RIVER NEAR OLD SAYBROOK, CONN.

The Clerk called the bill (H. R. 4940) granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission

thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, this is one of several bills on the calendar today which would authorize the construction of toll bridges in various sections of the country, or revive previous authorizations for the construction of toll bridges. When similar bills have been considered in years past, principally before the war, it was my understanding that a limitation was to have been placed in the bill which would make possible the use of those toll bridges by Government-owned vehicles, principally military vehicles, without the imposition of a toll.

I notice this bill contains no such provision. The result would be that federally owned vehicles moving in official business would have to pay a toll. Until that question is settled definitely by the House, as to whether toll bridges should be available to Government use without the payment of a toll, I will ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

BRIDGE OVER MISSISSIPPI RIVER NEAR CLINTON, IOWA

The Clerk called the bill (H. R. 4914) to revive and reenact the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, in view of the fact that this is in the same classification as the previous bill relating to toll bridges, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TOLL BRIDGE ACROSS THE MISSOURI RIVER NEAR DECATUR, NEBR.

The Clerk called the bill (S. 1425) to revive and reenact the act entitled "An act to authorize the county of Burt, State of Nebraska, to construct, maintain, and operate a toll bridge across the Missouri River at or near Decatur, Nebr.," approved June 8, 1940.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RAILROAD BRIDGE ACROSS THE ALLE- GHENY RIVER NEAR WARREN, PA.

The Clerk called the bill (H. R. 4190) granting the consent of Congress to the

Pennsylvania Railroad Co. to construct, maintain, and operate a railroad bridge across the Allegheny River at or near Warren, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Pennsylvania Railroad Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto for the purpose of carrying its line of railroad which runs between Erie, Pa., and Ridgway, Pa., across the Allegheny River, at a point suitable to the interests of navigation, at or near Warren, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridge over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Pennsylvania Railroad Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS RAINY RIVER NEAR BAUDETTE, MINN.

The Clerk called the bill (H. R. 5544) authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.

Mr. COLE of New York. Mr. Speaker, this is another authorization for the construction of a toll bridge without exemption for the use by military vehicles, and I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONDEMNATION OF MATERIALS USED IN PROCESS OR RENOVATED BUTTER

The Clerk called the bill (H. R. 3611) to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2325 of the Internal Revenue Code, approved February 10, 1939 (53 Stat. 254), is amended to read as follows:

"SEC. 2325. Inspection of process or renovated butter.

"For the purpose of protecting interstate and foreign commerce from process or renovated butter which is unclean, unwholesome, unhealthful, or otherwise unfit for human food—

"(a) The Secretary of Agriculture shall, through inspectors appointed by him, cause inspections to be made of all milk, butter, butter oil, and other ingredients intended for use in the manufacture of process or renovated butter. All ingredients which are

found to be putrid or decomposed or which contain organic or inorganic substances which are foreign to such ingredients when properly made, manufactured, produced, collected, stored, transported, or handled, and which organic or inorganic substances cannot be removed by processing, shall be deemed unfit for use in the manufacture of process or renovated butter, shall be marked 'U. S. Inspected and Condemned', and shall be denatured or destroyed under the supervision of the inspector. All other ingredients shall be marked 'U. S. Inspected and Passed', and shall be deemed fit for use in the manufacture of process or renovated butter.

"(b) The Secretary of Agriculture shall cause inspections to be made of all process or renovated butter. If such butter is found to be clean, wholesome, healthful, and otherwise fit for human food, it shall be marked 'U. S. Inspected and Passed'. Process or renovated butter that is found to be unclean, unwholesome, unhealthful, or otherwise unfit for human food shall be denatured or destroyed under the supervision of the inspector.

"(c) The Secretary of Agriculture shall cause inspections to be made of all factories wherein process or renovated butter is manufactured to determine the sanitary conditions thereof, and if it is found that the conditions existing in any such factory do not meet the standards prescribed by the Secretary in his regulations, he shall cause inspection to be withdrawn therefrom.

"(d) The Secretary of Agriculture is authorized to withdraw inspection from any factory wherein process or renovated butter is made, if the manufacturer shall fail to comply with any of the provisions of this section or with any of the rules and regulations prescribed hereunder.

"(e) The Secretary of Agriculture is authorized to make such rules and regulations as he deems necessary for the efficient administration of the provisions of this section, and all inspections hereunder shall be made in such manner as may be prescribed in such regulations. The Secretary of Agriculture may, from time to time, by regulations define the foreign substances and the extent thereof that render the ingredients unfit for use in manufacturing process or renovated butter.

"(f) The Secretary of Agriculture shall cause to be ascertained, and he shall report, from time to time, the quantity and quality of all process or renovated butter manufactured and the character and condition of the materials from which it is made.

"(g) No person, firm, or corporation shall forge, counterfeit, simulate, falsely represent, detach, or knowingly alter, deface, or destroy, or use without proper authority, any of the marks, stamps, labels, or tabs provided for in this section or in any regulations prescribed hereunder by the Secretary of Agriculture for use on process or renovated butter or on wrappers, packages, containers, or cases in which the product is contained, or any certificate in relation thereto.

"(h) All process or renovated butter and the packages or containers thereof shall be marked with the words 'Process butter' and by such other marks, labels, or brands, and in such manner, as may be prescribed by the Secretary of Agriculture.

"(i) No statement that is false or misleading in any particular shall be placed on or affixed to any wrapper, label, carton, or container of process or renovated butter.

"(j) No person, firm, or corporation shall transport, or offer for transportation, or sell or offer for sale, in interstate or foreign commerce, or in commerce affecting commerce among the States, any process or renovated butter that has not been inspected and passed and marked, labeled, and branded in accordance with this section and the regulations issued hereunder.

"(k) The administration and enforcement of the provisions of this act, other than its

provisions relating to revenue, but including the seizure and denaturing or destruction of ingredients intended to be used in the manufacture of process or renovated butter and the denaturing or destruction of process or renovated butter, are committed exclusively to the Secretary of Agriculture: *Provided*, That any powers and duties of the Food and Drug Administration of the Federal Security Agency under the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C., 1940 ed., 301, and the following), as regards such ingredients before they come into the possession of the manufacturers of process or renovated butter, or as regards such powers and duties in connection with process or renovated butter after it leaves such manufacturers and comes into the hands of wholesale or retail dealers, or others, shall not be affected by this act."

Sec. 2. Subsection (c) of section 2326 of the Internal Revenue Code (53 Stat. 255) is amended by striking out "shall be punished by a fine of not less than \$50 nor more than \$500 or by imprisonment for not less than 1 month nor more than 6 months, or by both said punishments," and by inserting in lieu thereof the following: "shall be punished by a fine of not more than \$1,000 or by imprisonment for a period of not more than 6 months, or by both such fine and imprisonment."

Sec. 3. Section 2327 of the Internal Revenue Code (53 Stat. 255) is amended by striking out subsections (b) and (c) of said section.

Sec. 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the act and of the application of such provision to other persons or circumstances shall not be affected thereby.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF CLAIMS BY COAST GUARD

The Clerk called the bill (H. R. 5239) to amend Public Law 277, Seventy-ninth Congress, so as to provide the Coast Guard, at such time as it is transferred back to the Treasury Department, with a system of laws for the settlement of claims, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., The Public Law 277, seventy-ninth Congress, is hereby amended by adding at the end thereof the following new sections:

"Sec. 5. The provisions of this act shall apply to the Coast Guard and to the personnel of the Coast Guard, military and civil, when the Coast Guard is not operating as a part of the Navy. In such cases, the Secretary of the Treasury shall have and exercise, as to claims caused by military or civilian employees of the Coast Guard while acting within the scope of their employment or otherwise incident to the activities of the Coast Guard and as to the claims of the personnel of the Coast Guard, the authority conferred by this Act upon the Secretary of the Navy, and payment or reimbursement in kind of such claims shall be made from appropriations available to the Treasury Department which appropriations are hereby authorized. The act of December 28, 1922 (42 Stat. 1066), shall be inapplicable to the Coast Guard 60 days after approval of this act.

"Sec. 6. The provisions of this act shall apply to the personnel of the Coast and Geodetic Survey and the Public Health Service when serving with the Navy."

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

KINGS CANYON NATIONAL PARK

The Clerk called the bill (H. R. 2413) to authorize the United States commissioner for the Sequoia National Park to exercise similar functions for the Kings Canyon National Park.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States commissioner for the Sequoia National Park, appointed pursuant to section 8 of the act of June 2, 1920 (41 Stat. 731, 733; 16 U. S. C., secs. 66-68), shall exercise the additional functions of a United States commissioner for the Kings Canyon National Park. The United States District Court for the Southern District of California shall prescribe the rules of procedure and practice for the commissioner in the trial of cases and for appeal to the district court.

Sec. 2. The commissioner shall have jurisdiction to issue process in the name of the United States for the arrest of any person charged with a violation of any the rules and regulations made by the Secretary of the Interior in pursuance of law for the government and protection of the park, or with the commission within the park of a petty offense against the law, and to try the person so charged, who, if found guilty, shall be subject to the punishment prescribed by section 3 of the act of August 25, 1916 (39 Stat. 535; 16 U. S. C., sec. 3), as amended. For the purposes of this act, the term "petty offense" shall be defined as in section 335 of the Criminal Code (18 U. S. C., sec. 541). In all cases of conviction an appeal shall lie from the judgment of said commissioner to the district court.

Sec. 3. The commissioner shall have power to issue process in the name of the United States for the arrest of any person charged with the commission within said park of any criminal offense not covered by the provisions of section 2 of this act, and to hear the evidence introduced. If he is of the opinion that probable cause is shown for holding the person so charged for trial, he shall commit such person for further appropriate action, and shall certify a transcript of the record of his proceedings and the testimony in such case to the district court, which court shall have jurisdiction of the case.

Sec. 4. All fees, costs, and expenses arising in cases under this act and properly chargeable to the United States shall be certified, approved, and paid as are like fees, costs, and expenses in the courts of the United States. All fines, fees, costs, and expenses imposed and collected shall be deposited by the commissioner, or by the marshal of the United States collecting the same, with the clerk of the United States District Court for the Southern District of California.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOPEWELL VILLAGE NATIONAL HISTORIC SITE

The Clerk called the bill (H. R. 3533) to authorize revisions in the boundary of the Hopewell Village national historic site, Penn., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I wish to inquire of some member of the Committee on the Public Lands about this bill. Could the gentleman from Florida tell us what the cost of this tract of land was originally which it is proposed be turned over to the State of Pennsylvania?

Mr. PETERSON of Florida. I do not have the original cost, but it was one of those operations by the Federal Government, largely as a demonstration area. Then there was some thought that it would be included in the Hopewell National Park. On making a survey, however, it was determined that it was too large an area to be used in the park itself, that it did not lend itself to park purposes, and for that reason they cut down the boundaries.

It can be given to the State or it can be used for other Federal purposes, or it may be disposed of generally; but it is believed, after a complete survey, that it is not needed in the park.

The gentleman from Pennsylvania [Mr. Hoch], the author of the bill, may be able to give the gentleman some further information.

Mr. COLE of New York. When was the national park created, and what amount of land was acquired for that purpose?

Mr. PETERSON of Florida. The greater portion of the land was acquired in the old WPA days as a demonstration recreational area, part of a Nation-wide program in which we acquired land in order to put CCC camps or works on them in the hope that the States would take them over and show what could be done as demonstration areas. The States have been very slow in taking them over in trying to work them out under the act of 1942.

Mr. COLE of New York. According to the report of the committee, this park was created in 1942, and comprised some 6,000 acres.

Mr. PETERSON of Florida. That is right.

Mr. COLE of New York. Now, after 4 years of consideration it is realized that only some 800 acres are needed for the historic site purposes; so approximately 5,000 acres are to be released.

Let me inquire of the gentleman, What is the status of this surplus land and if it does revert to the status of recreational area?

Mr. PETERSON of Florida. It may be used by the Federal Government as a recreational area or it can be turned over to the State as a recreational area if the State wishes it, or it can be finally disposed of.

Mr. COLE of New York. Does the gentleman know what this land cost originally?

Mr. PETERSON of Florida. I do not have those figures; it is in the records, but we were taking it out of the park and curtailing operation of this area because it is not economically feasible to include it in the park area. The Hopewell Village Site was one of the old iron furnaces. The ironmaster's house is there, and some of the workmen's houses are there, a portion of the old furnace is there, and it is being replaced in its old condition of operation. But this vast area which has nothing to do with the immediate historic site it is felt should not be included.

Mr. COLE of New York. Is there any reason why this surplus land should be in any different category so far as disposal operation goes than any other surplus Government property?

Mr. PETERSON of Florida. In practical working out it would not be, because under the surplus property disposal act in this instance the State has first choice after the Federal Government.

Mr. COLE of New York. I understood the gentleman to say this bill would empower the Secretary of the Interior to turn over this surplus property to the State; and I assume that would mean turn it over without compensation.

Mr. PETERSON of Florida. No, sir; this is under the act of 1942.

Mr. COLE of New York. Can the gentleman tell us what the status of this land would be if this bill should pass, so far as disposal purposes are concerned?

Mr. PETERSON of Florida. It would be taken out of the park, then it would become Federal property under the act of 1942 and the Federal Government could use it for park or recreational purposes if it desired, or if it were feasible. If it was deemed not desirable to be held by the Federal Government then the State government could take it over.

Mr. COLE of New York. On what basis? Would the State government have to pay for the land? That is my question.

Mr. PETERSON of Florida. The State government would not necessarily have to pay for the land.

Mr. COLE of New York. Why should this land be in any different category, so far as disposal of surpluses is concerned, than any other Government property which cannot be turned over gratis to any organization or community?

Mr. PETERSON of Florida. It was part of a program which was carried on several years ago for the purpose of employing labor largely, and for the purpose of showing to the States what could be done with their recreational areas. Then when that program was finished it was the hope that the States would take them over. In other words, they do not come up to national-park standards, but they do have in many instances very desirable recreational features.

Mr. COLE of New York. I hope the gentleman will see that my point is as to the method of disposal. If this property is unneeded and should not be retained by the Federal Government, perhaps it should be disposed of in some manner, but I am wondering if the gentleman's committee is of the opinion that certain types of public land should be given gratis to the State or city governments and at the same time other types of Government land required to be paid for by State governments or local governments?

Mr. PETERSON of Florida. It depends upon the type of land. The committee did not formulate the original program. That was a departmental program. The committee has felt a large portion of these demonstration areas should be handled by the States rather than by the Federal Government.

Mr. COLE of New York. Is there any reason why the Federal Government should give the land to the States?

Mr. PETERSON of Florida. In some instances, yes. In other words, it has been shown by actual count that of the

number of persons visiting State parks there are more people from other States visit the parks than from the State itself.

Mr. COLE of New York. Mr. Speaker, in view of the fact this bill contains a principle of too great importance to be passed by unanimous consent, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

QUIET TITLE TO CERTAIN SCHOOL-DISTRICT PROPERTY IN ENID, OKLA.

The Clerk called the bill (H. R. 3796) to quiet title to certain school-district property in Enid, Okla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to make and issue such letters patent, quitclaim deeds, or other instruments of conveyance, as may be necessary to give to the trustees of school district No. 57, Enid, Okla., and its successor in interest insofar as any right, title, and interest of the United States is concerned, an indefeasible fee simple estate in and to the west half of block 7 in Jonesville, an addition to the city of Enid, Okla., such property being more particularly described in the paragraph beginning with the words "Second, as School Reserve" contained in the letters patent issued by the United States on October 3, 1898 (certificate No. 863), to Townsite Board of Trustees No. 6 of Noble County, Oklahoma Territory, in trust for the several use and benefit of the occupants of the town site of Jonesville, in Garfield County, Oklahoma Territory.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ALASKA RAILROAD TO ENGAGE IN OPERATION OF OCEANGOING VESSELS

The Clerk called the bill (H. R. 4731) to authorize the Alaska Railroad to engage in the business of operating ocean-going vessels.

Mr. KEAN. Mr. Speaker, there is a question of policy involved in this bill which I do not think should be considered by unanimous consent; therefore I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CITY OF SAN FRANCISCO (CALIF.)

The Clerk called the bill (H. R. 3703) for the relief of the city and county of San Francisco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city and county of San Francisco, a municipal corporation, of San Francisco, Calif., the sum of \$422.64, in full settlement of all claims against the United States for reimbursement of expenses incurred in rebuilding and restoring a power transmission line and loss of power revenue in Calaveras County, Calif., near Sunol, which transmission line was damaged by the crashing of a United States Army plane, on February 26, 1941, while the

79TH CONGRESS
2^D SESSION

H. R. 3611

IN THE SENATE OF THE UNITED STATES

MARCH 5, 1946

Read twice and referred to the Committee on Finance

AN ACT

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2325 of the Internal Revenue Code, approved
4 February 10, 1939 (53 Stat. 254), is amended to read as
5 follows:

6 “SEC. 2325. INSPECTION OF PROCESS OR RENOVATED
7 BUTTER.

8 “For the purpose of protecting interstate and foreign
9 commerce from process or renovated butter which is unclean,

1 unwholesome, unhealthful, or otherwise unfit for human
2 food—

3 “(a) The Secretary of Agriculture shall, through in-
4 spectors appointed by him, cause inspections to be made of
5 all milk, butter, butter oil, and other ingredients intended for
6 use in the manufacture of process or renovated butter. All
7 ingredients which are found to be putrid or decomposed or
8 which contain organic or inorganic substances which are
9 foreign to such ingredients when properly made, manu-
10 factured, produced, collected, stored, transported, or handled,
11 and which organic or inorganic substances cannot be removed
12 by processing, shall be deemed unfit for use in the manu-
13 facture of process or renovated butter, shall be marked
14 ‘U. S. Inspected and Condemned’, and shall be denatured
15 or destroyed under the supervision of the inspector. All
16 other ingredients shall be marked ‘U. S. Inspected and
17 Passed’, and shall be deemed fit for use in the manufacture
18 of process or renovated butter.

19 “(b) The Secretary of Agriculture shall cause inspec-
20 tions to be made of all process or renovated butter. If such
21 butter is found to be clean, wholesome, healthful, and other-
22 wise fit for human food, it shall be marked ‘U. S. Inspected
23 and Passed’. Process or renovated butter that is found to
24 be unclean, unwholesome, unhealthful, or otherwise unfit

1 for human food shall be denatured or destroyed under the
2 supervision of the inspector.

3 “(c) The Secretary of Agriculture shall cause inspec-
4 tions to be made of all factories wherein process or renovated
5 butter is manufactured to determine the sanitary conditions
6 thereof, and if it is found that the conditions existing in
7 any such factory do not meet the standards prescribed by
8 the Secretary in his regulations, he shall cause inspection
9 to be withdrawn therefrom.

10 “(d) The Secretary of Agriculture is authorized to
11 withdraw inspection from any factory wherein process or
12 renovated butter is made, if the manufacturer shall fail to
13 comply with any of the provisions of this section or with
14 any of the rules and regulations prescribed hereunder.

15 “(e) The Secretary of Agriculture is authorized to make
16 such rules and regulations as he deems necessary for the
17 efficient administration of the provisions of this section, and
18 all inspections hereunder shall be made in such manner as
19 may be prescribed in such regulations. The Secretary of
20 Agriculture may, from time to time, by regulations define
21 the foreign substances and the extent thereof that render
22 the ingredients unfit for use in manufacturing process or
23 renovated butter.

24 “(f) The Secretary of Agriculture shall cause to be

1 ascertained, and he shall report, from time to time, the
2 quantity and quality of all process or renovated butter manu-
3 factured and the character and condition of the materials
4 from which it is made.

5 “(g) No person, firm, or corporation shall forge,
6 counterfeit, simulate, falsely represent, detach, or know-
7 ingly alter, deface, or destroy, or use without proper
8 authority, any of the marks, stamps, labels, or tabs pro-
9 vided for in this section or in any regulations prescribed
10 hereunder by the Secretary of Agriculture for use on process
11 or renovated butter or on wrappers, packages, containers,
12 or cases in which the product is contained, or any certificate
13 in relation thereto.

14 “(h) All process or renovated butter and the packages
15 or containers thereof shall be marked with the words
16 ‘Process Butter’ and by such other marks, labels, or brands,
17 and in such manner, as may be prescribed by the Secretary
18 of Agriculture.

19 “(i) No statement that is false or misleading in any
20 particular shall be placed on or affixed to any wrapper,
21 label, carton, or container of process or renovated butter.

22 “(j) No person, firm, or corporation shall transport,
23 or offer for transportation, or sell or offer for sale, in inter-
24 state or foreign commerce, or in commerce affecting com-
25 merce among the States, any process or renovated butter

1 that has not been inspected and passed and marked, labeled,
2 and branded in accordance with this section and the regula-
3 tions issued hereunder.

4 “(k) The administration and enforcement of the pro-
5 visions of this Act, other than its provisions relating to
6 revenue, but including the seizure and denaturing or destruc-
7 tion of ingredients intended to be used in the manufacture
8 of process or renovated butter and the denaturing or destruc-
9 tion of process or renovated butter, are committed exclusively
10 to the Secretary of Agriculture: *Provided*, That any powers
11 and duties of the Food and Drug Administration of the Fed-
12 eral Security Agency under the Federal Food, Drug, and
13 Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301,
14 and the following), as regards such ingredients before they
15 come into the possession of the manufacturers of process or
16 renovated butter, or as regards such powers and duties in
17 connection with process or renovated butter after it leaves
18 such manufacturers and comes into the hands of wholesale
19 or retail dealers, or others, shall not be affected by this Act.”

20 SEC. 2. Subsection (c) of section 2326 of the Internal
21 Revenue Code (53 Stat. 255) is amended by striking out
22 “shall be punished by a fine of not less than \$50 nor more
23 than \$500 or by imprisonment for not less than one month
24 nor more than six months, or by both said punishments,”
25 and by inserting in lieu thereof the following: “shall be

1 punished by a fine of not more than \$1,000 or by imprison-
2 ment for a period of not more than six months, or by both
3 such fine and imprisonment.”

4 SEC. 3. Section 2327 of the Internal Revenue Code (53
5 Stat. 255) is amended by striking out subsections (b) and
6 (c) of said section.

7 SEC. 4. If any provision of this Act or the application
8 thereof to any person or circumstance is held invalid, the
9 validity of the remainder of the Act and of the application
10 of such provision to other persons or circumstances shall
11 not be affected thereby.

Passed the House of Representatives, March 4, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

AN ACT

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

MARCH 5, 1946

Read twice and referred to the Committee on Finance

22.
24.

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued April 25, 1946
For actions of April 23 & 24, 1946
79th-2nd, Nos. 75 & 76

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HIGHLIGHTS: Senate committee reported second deficiency appropriation bill. Senate committee reported process or renovated butter bill. Sen. Taft discussed international commodity agreements and Sen. Bilbo claimed that U.S. cannot sell cotton to England at a world price-level.

NOTE: Senate hearings on 1947 Agricultural Appropriation bill have been scheduled to begin at 11:00 a.m., Mon., Apr. 29.

SENATE - April 23

1. RECESSED until Wed., Apr. 24 (p. 4177).

SENATE - April 24

2. SECOND DEFICIENCY APPROPRIATION BILL, 1946. The Appropriations Committee reported with amendments this bill, H. R. 5890 (S. Rept. 1236) (p. 4180). Department of Agriculture items covering additional funds for the fiscal year 1946 contained in this bill and a comparison of the budget estimates and amounts provided by the House bill are reflected in the tabulation below:

	Budget estimates	House Bill	Senate Committee Bill
Bureau of Entomology and Plant Quar- antine: Insect investigations			
(spruce budworm) ...	\$32,000	\$32,000	\$32,000
Insect and plant disease control:			
Pink bollworm control	150,000	- -	150,000
Gypsy and brown-tail moth control ..	200,000	20,000	200,000
Forest Service:			
National forest protection and man- agement (rehabilitation of recrea- tional areas)	1,000,000	168,000	500,000
Water facilities, arid and semiarid areas (FSA) (additional loan funds for repair and development of water facilities)	500,000	200,000	500,000
Conservation and use of agricultural land resources:			
Increase of \$600,000 in limitation on administrative expenses for			

measuring flue-cured tobacco
acres by county conserva-
tion associations

Approved Approved Approved

In addition, the Committee restored \$295,020 under Public Buildings Administration, Federal Works Agency, for the return of FCA to Washington from Kansas City, Mo.

The bill includes the following changes of interest to the Department:

Appropriates \$20,000 additional for the Joint Committee on Reduction of Nonessential Federal Expenditures; \$2,730,000 for salaries and expenses, public buildings and grounds, FMA; \$14,000 for Grazing Service; \$39,700 for halibut allocation program, Fish and Wildlife Service; and \$5,577.86 for this Department's claims as set forth in S. Docs. 161 and 162.

Excerpts from the Committee report:

"The committee is recommending an item of \$295,020 for the return of the Farm Credit Administration to Washington from Kansas City, Mo. Certain employees have already been returned to Washington and the amount included in this bill will complete the transfer of the remaining employees. It is understood that the space vacated by the Farm Credit Administration is urgently needed to house activities of the Veterans' Administration."

"Under Executive Order No. 9646, dated Oct. 29, 1945, the Office of Fishery Coordination was abolished. The order provided, however, that the Secretary of the Interior, acting through the Fish and Wildlife Service, could continue to exercise the continuing functions of that office. At the time the estimates for the fiscal year 1947 were prepared it was believed that there would be no need for continuing any of the activities beyond June 30, 1946. However, the Fish and Wildlife Service has been requested by the Office of Price Administration and by the United States Department of Agriculture to administer an allocation program for Pacific halibut during the season which begins May 1, and ends in November 1946."

3. BUTTER. The Finance Committee reported without amendment H.R. 3611, to authorize this Department to condemn materials which are intended for use in process or renovated butter and which is unfit for human consumption (S. Rept. 1240) (p. 4180).
4. BRITISH LOAN. Continued debate on S. J. Res. 138, to authorize the loan to Great Britain (pp. 4185-207). During the debate Sen. Taft, Ohio, discussed international commodity agreements, mentioning the war-time agreements on sugar, wheat, and coffee and stating that there is a "strong movement for the imposition of quotas on wool" (p. 4193). Sen. Bilbo, Miss., claimed that England proposes to buy cotton at world price-levels and that the U.S. cannot sell cotton at that level without Government subsidies (p. 4197).
5. PRICE CONTROL. Received a Calif. school petition urging the continuation of price control (p. 4180).
6. CIVIL SERVICE. Received from the President CSC's proposed legislation to amend the Classification Act of 1923 to bring about uniformity and coordination in the allocation of field and departmental positions under the grades of this Act to the Civil Service Committee. (p. 4179).
7. RESEARCH. Sen. Wiley, Wis., inserted a statement indicating his opposition to S. 1850, to create a National Science Foundation (p. 4207).



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, SECOND SESSION

Vol. 92

WASHINGTON, WEDNESDAY, APRIL 24, 1946

No. 76

House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, April 30, 1946, at 12 o'clock noon.

Senate

WEDNESDAY, APRIL 24, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Emory Stevens Bucke, editor, Zion's Herald, Boston, Mass., offered the following prayer:

Great and good God, Thou who has endowed all men with a chance for greatness, give us the will to know Thy will.

Thou who hast made us stewards of brotherhood under Thy fatherhood, bless our Nation and the nations of the world, that Thy children may regain a sense of moral responsibility.

We pray for these servants of Thy children. Make this a truly great body because of the revelation of Thy will. Gird them up and make them strong that the Nation may take its rightful place in restoring a broken and disillusioned world.

Give us the power to aid the suffering millions of the world. Help us to realize that no man liveth unto himself and that the welfare of all determines the welfare of each.

Forgive us our sins, confirm us in Thy love, and may Thy will be done through the United Nations. This we pray in Thy name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar days Monday, April 22, 1946, and Tuesday, April 23, 1946, was dispensed with, and the Journal was approved.

TRIBUTE TO THE LATE CHIEF JUSTICE STONE

Mr. SMITH. Mr. President, it was a great regret to me that when the Senate convened yesterday I was attending a meeting of the Committee on Military Affairs, and was therefore unable to be present in the Senate at the time when

tribute was paid to my beloved friend, the distinguished late Chief Justice of the United States.

At this time I merely wish to take the opportunity to express my own sense of loss in the passing of this great jurist. He was not only a great jurist, but in my case had been a lifelong friend. I attended the Columbia Law School some years ago when Mr. Justice Stone was an instructor in law there, and he was one of the first men to inspire me with an interest in the affairs of our country and our legal system.

I felt that I must add this word of brief tribute to the memory of the late Chief Justice, and this expression of the great affection I have borne for him and Mrs. Stone during a great portion of my life.

LEAVE OF ABSENCE

Mr. BUTLER. Mr. President, I ask unanimous consent of the Senate to be absent from attendance at the sessions of the Senate for a few days.

The PRESIDENT pro tempore. Without objection, leave is granted.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on April 22, 1946, he had presented to the President of the United States the following enrolled bills:

S. 1152. An act to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes;

S. 1610. An act for the rehabilitation of the Philippines; and

S. 1757. An act to amend the Surplus Property Act of 1944 with reference to veterans' preference, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION FOR UNITED STATES PARK POLICE TO MAKE CERTAIN ARRESTS WITHIN THE DISTRICT OF COLUMBIA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia (with an accompanying paper); to the Committee on Public Buildings and Grounds.

LEGISLATION PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, AND LEGISLATIVE ASSEMBLY OF THE VIRGIN ISLANDS

A letter from the Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Thomas and St. John, and by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

AMENDMENT OF CLASSIFICATION ACT OF 1923

A letter from the President of the United States Civil Service Commission, transmitting a draft of proposed legislation further to amend the Classification Act of 1923, as amended; to bring about uniformity and coordination in the allocation of field and departmental positions under the grades of the Classification Act of 1923, as amended, and for other purposes (with an accompanying paper); to the Committee on Civil Service.

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

A letter from the Board of Trustees of the Federal old-age and survivors insurance trust fund, transmitting, pursuant to law, the sixth annual report of that Board of Trustees, for the fiscal year ended June 30, 1945 (with an accompanying report); to the Committee on Finance.

COMPLETION OF PAN-AMERICAN HIGHWAY

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of State, transmitting translations of certain documents, which were referred to the Committee on Foreign Re-

tations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, April 19, 1946.
The Honorable KENNETH MCKELLAR,
President pro tempore,
United States Senate.

MY DEAR SENATOR MCKELLAR: I am transmitting herewith copies of a translation of a motion passed by the Costa Rican Congress on April 3, 1946 commissioning Señor Rafael Angel Grillo, the President of Congress, to present special greetings to the Senate and House of Representatives of the United States during a visit which he intends shortly to make to this country. Also, I am enclosing copies of a translation of a note dated April 8, 1946 from the Costa Rican Minister of Foreign Affairs to the Ambassador of the United States at San José. These documents are self-explanatory.

Señor Grillo will cease to be a member of the Costa Rican Congress on May 1, 1946, on which date the recently elected members will take office. Señor Grillo did not run for reelection, and it is understood that he intends to return to the practice of medicine. Undoubtedly, he will continue to be an influential figure in Costa Rican politics.

Sincerely yours,

JAMES F. BYRNES.

[Enclosures: 1, Two copies of translation of motion of April 3; 2, Two copies of translation of note dated April 8.]

[Translation]

CONSTITUTIONAL CONGRESS OF THE REPUBLIC OF COSTA RICA

Motion of Congressmen Quirós Troyo, Volio Guardia, Fonseca Chamier, and Muñoz Fonseca, approved by the Constitutional Congress in its session of April 3, 1946:

"That, in view of the coming trip of the President of Congress, Señor Rafael Angel Grillo, to the United States of America, the Chamber entrusts to him the mission of presenting to the Senate and House of Representatives of that great nation a fraternal greeting, and of expressing to them the desire of our congress—which interprets the feelings of the country—that the appropriation of the funds required for finishing the Pan-American highway be approved."

[Translation]

Note of April 8, 1946 from Costa Rican Minister of Foreign Affairs to the Ambassador of the United States at San José:

"For your information and for whatever action Your Excellency cares to take I have the honor to give the literal text of a letter from R. A. Grillo, President of Congress:

"Mr. Minister, the Constitutional Congress has designated me to give, as its representative, a greeting to the Senate and House of Representatives of the United States, and has asked me to express its wish that the bill may be acted favorably upon which destines funds for the termination of the inter-American highway. I would thank you to communicate this designation to the American embassy here and to our embassy in Washington in order that arrangements may be made for the realization of the wishes of Congress. I shall leave for the United States on April 21. Moreover, in addition to the above mission, I plan to deliver personally to the wife of ex-President Roosevelt the parchment on which is written the legislative decree which as a posthumous homage gives Costa Rican honorary citizenship to the illustrious ex-President Franklin D. Roosevelt."

"With sentiments of my highest and most distinguished consideration, Julio Acosta."

PETITIONS

Petitions were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A telegram in the nature of a petition from the faculty of the John Muir Junior High School, of Los Angeles, Calif., signed by Geraldine Schwaderer, chairman, praying for the continuation of the Office of Price Administration; to the Committee on Banking and Currency.

By Mr. SALTONSTALL (for himself and Mr. WALSH):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolution memorializing Congress to amend the Federal laws relative to matching by the Federal Government of amounts expended by States and their political subdivisions on account of old-age assistance

"Resolved, That the General Court of Massachusetts hereby urges the Congress of the United States to immediately pass legislation to so amend the Federal old-age assistance law as to permit the matching with Federal funds of all amounts expended by States or their political subdivisions on account of old-age assistance; and be it further

"Resolved, That copies of these resolutions be sent by the State secretary to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Members of Congress from Massachusetts."

COMPULSORY FEDERAL HEALTH SERVICE

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a letter I have received from William Docking, a prominent businessman of Lawrence, Kans., who opposes compulsory Federal health service and endorses the Blue Cross health system now in operation in his city.

There being no objection, the letter was received, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

THE FIRST NATIONAL BANK,
Lawrence, Kans., April 3, 1946.

HON. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR: We have been reading a good deal about the compulsory Federal health service.

I presume you are familiar with the Blue Cross system for which there are a number of groups formed in Lawrence. We have one in the bank here and the bank pays the fees on the hospital bills for its employees.

This matter will all work itself out privately and at vastly less expense than would be incurred by a Washington bureau and a vast addition to the taxes. A great many of the large concerns for a long time have had the employees protected in this way and this Blue Cross affair is to cover the unprotected in the smaller concerns. Farmers can join by forming groups.

I certainly hope that the Federal scheme will not pass as no one can tell what it will cost, but plenty.

Yours very truly,

WILLIAM DOCKING.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCKELLAR, from the Committee on Appropriations:

H. R. 5890. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 1236).

By Mr. BILBO, from the Committee on the District of Columbia:

S. 1955. A bill to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator; with amendments (Rept. No. 1237).

By Mr. LA FOLLETTE, from the Committee on Finance:

H. R. 3611. A bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes; without amendment (Rept. No. 1240).

By Mr. WALSH, from the Committee on Naval Affairs:

H. R. 5641. A bill to authorize the attendance of the Marine Band at the national convention of the United Spanish War Veterans to be held in Milwaukee, Wis., August 4 to 10, inclusive, 1946; without amendment (Rept. No. 1239); and

H. J. Res. 307. Joint resolution to authorize the use of naval vessels to determine the effect of atomic weapons upon such vessels; with amendments (Rept. No. 1238).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 3506. A bill for the relief of Mary A. Wallis; without amendment (Rept. No. 1241);

H. R. 3556. A bill for the relief of Mr. and Mrs. Glen Rothenberger; without amendment (Rept. No. 1242);

H. R. 4141. A bill for the relief of Piombo Bros. & Co.; without amendment (Rept. No. 1243);

H. R. 4237. A bill for the relief of the estate of Vedal B. Brooks, deceased; Mrs. Katherine I. Brooks; and the legal guardian of Sally Brooks, a minor; without amendment (Rept. No. 1244);

H. R. 4244. A bill for the relief of Fundador Nieves del Valle; without amendment (Rept. No. 1245);

H. R. 4670. A bill for the relief of Mrs. Edna B. LaBlanc; without amendment (Rept. No. 1246);

H. R. 4777. A bill for the relief of the Sawtooth Co.; without amendment (Rept. No. 1247);

H. R. 4832. A bill for the relief of Stanley B. Reeves and Mrs. Stanley B. Reeves; without amendment (Rept. No. 1248);

H. R. 4885. A bill for the relief of Ernst V. Brender; without amendment (Rept. No. 1249);

H. R. 4977. A bill for the relief of Mrs. Theresa Ebrecht; without amendment (Rept. No. 1250);

H. R. 5049. A bill for the relief of the estate of Obaldino Francis Dias; without amendment (Rept. No. 1251); and

H. R. 5307. A bill for the relief of Ben V. King; without amendment (Rept. No. 1252).

By Mr. CAPPER, from the Committee on Claims:

H. R. 3378. A bill for the relief of Dr. John A. Logan; without amendment (Rept. No. 1253);

H. R. 3822. A bill for the relief of the estate of Charles M. Overcash, deceased; without amendment (Rept. No. 1254); and

H. R. 4405. A bill for the relief of John Bakelaar; without amendment (Rept. No. 1255).

By Mr. WILSON, from the Committee on Claims:

H. R. 4633. A bill for the relief of John B. Clausen; without amendment (Rept. No. 1256); and

AUTHORIZING THE CONDEMNATION OF MATERIALS WHICH
ARE INTENDED FOR USE IN PROCESS OR RENOVATED BUTTER
AND WHICH ARE UNFIT FOR HUMAN CONSUMPTION

APRIL 24 (legislative day, MARCH 5), 1946.—Ordered to be printed

Mr. LA FOLLETTE, from the Committee on Finance, submitted the following

REPORT

[To accompany H. R. 3611]

The Committee on Finance, to whom was referred the bill (H. R. 3611) to amend section 2325 of the Internal Revenue Code, approved February 10, 1939 (53 Stat. 254), by authorizing the condemnation of materials which are intended for use in process or renovated butter, and which are unfit for human consumption, and for other purposes, having considered the same, report thereon, and recommend that the bill do pass.

This bill is identical with S. 1006, which passed the Senate during the Seventy-eighth Congress. The provisions of the bill are explained in detail in the report of the House Committee on Ways and Means, which is as follows:

GENERAL STATEMENT

This bill would revise completely section 2325 of the Internal Revenue Code by establishing and maintaining continuous inspection of all qualified establishments which manufacture process butter and seeks thereby to correct a long-existing weakness in present law. It is patterned after the Meat Inspection Act and provides for the inspection of all raw materials entering into the manufacture of process butter; for the inspection and labeling of the finished product; for sanitary control over the factories in which the product is prepared; and for the adoption of uniform regulations governing the manufacture and sale of the product. There is no disposition to legislate process butter out of existence, because it has a definite place in the Nation's food supply and it does provide an outlet for farm butter, particularly in the South. However, the product ought to be clean, healthful, wholesome, and fit for human consumption.

To that end, section 2325 of the Internal Revenue Code conferred upon the Secretary of Agriculture authority to ascertain all materials used in the manufacture of process butter which are deleterious to health or unwholesome in the finished product, and, in case such deleterious or unwholesome materials are found in the finished product, it authorized him to confiscate the lot. Little, if any, process butter has ever been condemned under that authority, because insoluble foreign matter which may be present in the stock from which the processed

butter is made, and which may otherwise render the finished product unfit for human consumption, is removed in the course of manufacture, and soluble foreign matter, including, frequently, the fat of maggots, is impossible of detection in the finished product without careful and expensive chemical and microscopic analyses. By the time such an analysis can be completed, the product has usually entered commerce and, perhaps, has been entirely consumed. In order to safeguard the health of the consumers, therefore, it is essential to authorize the condemnation of butter, milk, butter oil, and other ingredients containing filthy or decomposed animal or vegetable matter which ordinarily is not removed in the process of manufacture. This bill, therefore, provides for the inspection and condemnation of materials unfit for human consumption before manufacture.

Formerly, protection was afforded consumers by various State laws. Until the fall of 1941, although the hands of the Department of Agriculture were virtually tied by the lack of authority to proceed against the ingredients intended to be used in the manufacture of the finished product when they were found to contain unwholesome or deleterious foreign matter, considerable assistance was given by the officials of the States in which the factories were located by seizing the contaminated ingredients under State laws. On February 2, 1942, however, the Supreme Court of the United States, in the case entitled *Cloverleaf Butter Company v. Patterson* (315 U. S. 148, as amended in 315 U. S. 786), held, in effect, that the Federal law and the regulations of the Department of Agriculture issued thereunder occupy the field with respect to the preparation of, and interstate commerce in, process or renovated butter, and that the States are without authority to condemn any filthy material in the factory prior to its conversion into the finished product. This leaves a situation in which neither the Department of Agriculture nor a State may now proceed against unwholesome ingredients in a factory before they are processed or renovated, and renders more acute the need for remedial legislation.

The bill (H. R. 3611) was submitted to the Department of Agriculture and to the Department of Commerce for their opinions, and their replies to Hon. Robert L. Doughton, chairman of the Committee on Ways and Means, are as follows:

DEPARTMENT OF AGRICULTURE,
Washington 25, February 7, 1946.

HON. ROBERT L. DOUGHTON,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, D. C.*

DEAR MR. DOUGHTON: This is in further reply to your request of December 11, 1945, for a report on H. R. 3611, entitled "A bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes."

Under existing law, as construed by the legal office of this Department, the Department's authority is limited to the condemnation of process or renovated butter only when the finished product is found to contain foreign matter which would render it unfit for human consumption. As a result, little, if any, process butter is condemned. Insoluble foreign matter that may have been present in the original stock would be removed in the course of manufacture, and soluble foreign matter, which obviously cannot be removed in the manufacturing process and which renders the final product unfit for human consumption, can be detected in the finished product only with the greatest difficulty, if at all. Even if detection in the finished product were possible, the detection would not be made until after the product has entered into commerce and had, perhaps, been consumed.

In order to safeguard the health of consumers of process or renovated butter, the Department must have authority to condemn butter, milk, butter oil, and other ingredients containing foreign matter which cannot be removed in the course of manufacture and which, if not removed, would render the finished product unfit for human consumption. The Department believes that there is a place for process or renovated butter in the Nation's food supply. The manufacture of this product provides a good outlet for farm butter, particularly in the South, but it obviously should be clean and wholesome and not constitute a menace to the health of the consumer.

A similar bill, designated S. 1006, after the incorporation of amendments which were concurred in by both the renovated-butter industry and this Department, was introduced in the Seventy-eighth Congress by Senator George. This bill passed the Senate March 14, 1944, and was referred to your committee March 15, 1944. The provisions of the bill H. R. 3611, now before your committee, are identical with those of S. 1006.

When the Department's report on the latter bill was submitted it was thought that this enforcement work could be handled by existing personnel incidental to their regular duties, thus avoiding the need for additional funds. After further study, however, it seems that continuous factory inspection would be required to give full effect to the proposed legislation. Approximately \$15,000 additional per year would be necessary for the employment of the additional personnel needed by the Bureau of Dairy Industry to properly carry out the responsibilities of the Department under this bill.

After careful consideration of the proposed legislation as embodied in the current bill, I am of the opinion that H. R. 3611 is highly desirable and I recommend its favorable consideration by your committee.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Sincerely,

CLINTON P. ANDERSON, *Secretary.*

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington 25, February 15, 1946.

HON. ROBERT L. DOUGHTON,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: Reference is made to your communication of December 11, 1945, requesting the views of this Department with respect to H. R. 3611, a bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

Under section 2325 of the Internal Revenue Code as presently in effect, the control over the quality of process or renovated butter is effective relative to the finished product. The proposed bill places the emphasis on the ingredients of which the renovated or process butter is made. As a result, there is double protection for the consumer through inspection of the raw materials going into the product as well as process and renovated butter itself.

Process or renovated butter is made by five plants in the United States. The farmers sell their surplus butter (usually offgrade in quality) to traders who in turn sell to the processors of renovated butter. The new section of the Internal Revenue Code would affect principally the traders. In order for their butter to qualify as "Inspected and passed," care will be required to keep their purchases from farmers in good condition, which is not always true at present. The processors are reported as favoring the bill as it will provide them with better raw materials, making possible a better finished product.

As it seems reasonable that control of food products for sanitary and health purposes should extend to the raw materials going into them, as well as to the final product, the bill is considered entirely justified.

The Bureau of the Budget has advised that there would be no objection to the submission of this letter to your committee.

Sincerely yours,

H. A. WALLACE, *Secretary of Commerce.*

As can be seen from the above letters, both the Secretary of the Department of Agriculture and the Secretary of the Department of Commerce have endorsed this bill. Further, the qualified process-butter manufacturers are in favor of this bill. It has the approval of the Association of Food and Drug Officials of the United States, as well as the International Association of Milk Sanitarians, both of which have passed resolutions endorsing it. The executive committee of the National Cooperative Milk Producers Federation is also on record in favor of this bill and, in addition, editorial endorsements of it in the dairy trade press have been noted.

In view of the foregoing facts and endorsements, it is recommended that the bill be passed.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill,

as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

INTERNAL REVENUE CODE

[SEC. 2325. INSPECTION, MANUFACTURE, STORAGE, AND MARKING OF PROCESS OR RENOVATED BUTTER.

[The Secretary of Agriculture is authorized and required to cause a rigid sanitary inspection to be made, at such times as he may deem proper or necessary, of all factories and storehouses where process or renovated butter is manufactured, packed, or prepared for market, and of the products thereof and materials going into the manufacture of the same. All process or renovated butter and the packages containing the same shall be marked with the words "Renovated Butter" or "Process Butter" and by such other marks, labels, or brands and in such manner as may be prescribed by the Secretary of Agriculture, and no process or renovated butter shall be shipped or transported from its place of manufacture into any other State or Territory or the District of Columbia, or to any foreign country, until it has been marked as provided in this section. The Secretary of Agriculture shall make all needful regulations for carrying this section and sections 2326 (c) and 2327 (b) into effect and shall cause to be ascertained and reported from time to time the quantity and quality of process or renovated butter manufactured, and the character and the condition of the material from which it is made. And he shall also have power to ascertain whether or not materials used in the manufacture of said process or renovated butter are deleterious to health or unwholesome in the finished product, and in case such deleterious or unwholesome materials are found to be used in product intended for exportation or shipment into other States or in course of exportation or shipment he shall have power to confiscate the same.]

SEC. 2325. INSPECTION OF PROCESS OR RENOVATED BUTTER.

For the purpose of protecting interstate and foreign commerce from process or renovated butter which is unclean, unwholesome, unhealthful, or otherwise unfit for human food—

(a) *The Secretary of Agriculture shall, through inspectors appointed by him, cause inspections to be made of all milk, butter, butter oil, and other ingredients intended for use in the manufacture of process or renovated butter. All ingredients which are found to be putrid or decomposed or which contain organic or inorganic substances which are foreign to such ingredients when properly made, manufactured, produced, collected, stored, transported, or handled, and which organic or inorganic substances cannot be removed by processing, shall be deemed unfit for use in the manufacture of process or renovated butter, shall be marked "U. S. Inspected and Condemned," and shall be denatured or destroyed under the supervision of the inspector. All other ingredients shall be marked "U. S. Inspected and Passed," and shall be deemed fit for use in the manufacture of process or renovated butter.*

(b) *The Secretary of Agriculture shall cause inspections to be made of all process or renovated butter. If such butter is found to be clean, wholesome, healthful, and otherwise fit for human food, it shall be marked "U. S. Inspected and Passed." Process or renovated butter that is found to be unclean, unwholesome, unhealthful, or otherwise unfit for human food shall be denatured or destroyed under the supervision of the inspector.*

(c) *The Secretary of Agriculture shall cause inspections to be made of all factories wherein process or renovated butter is manufactured to determine the sanitary conditions thereof, and if it is found that the conditions existing in any such factory do not meet the standards prescribed by the Secretary in his regulations, he shall cause inspection to be withdrawn therefrom.*

(d) *The Secretary of Agriculture is authorized to withdraw inspection from any factory wherein process or renovated butter is made, if the manufacturer shall fail to comply with any of the provisions of this section or with any of the rules and regulations prescribed hereunder.*

(e) *The Secretary of Agriculture is authorized to make such rules and regulations as he deems necessary for the efficient administration of the provisions of this section, and all inspections hereunder shall be made in such manner as may be prescribed in such regulations. The Secretary of Agriculture may, from time to time, by regulations define the foreign substances and the extent thereof that render the ingredients unfit for use in manufacturing process or renovated butter.*

(j) No person, firm, or corporation shall transport, or offer for transportation, or sell or offer for sale, in interstate or foreign commerce, or in commerce affecting commerce among the States, any process or renovated butter that has not been inspected and passed and marked, labeled, and branded in accordance with this section and the regulations issued hereunder.

(k) The administration and enforcement of the provisions of this Act, other than its provisions relating to revenue, but including the seizure and denaturing or destruction of ingredients intended to be used in the manufacture of process or renovated butter and the denaturing or destruction of process or renovated butter, are committed exclusively to the Secretary of Agriculture: Provided, That any powers and duties of the Food and Drug Administration of the Federal Security Agency under the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301, and the following), as regards such ingredients before they come into the possession of the manufacturers of process or renovated butter, or as regards such powers and duties in connection with process or renovated butter after it leaves such manufacturers and comes into the hands of wholesale or retail dealers, or others, shall not be affected by this Act.

(f) The Secretary of Agriculture shall cause to be ascertained, and he shall report, from time to time, the quantity and quality of all process or renovated butter manufactured and the character and condition of the materials from which it is made.

(g) No person, firm, or corporation shall forge, counterfeit, simulate, falsely represent, detach, or knowingly alter, deface, or destroy, or use without proper authority, any of the marks, stamps, labels, or tabs provided for in this section or in any regulations prescribed hereunder by the Secretary of Agriculture for use on process or renovated butter or on wrappers, packages, containers, or cases in which the product is contained, or any certificate in relation thereto.

(h) All process or renovated butter and the packages or containers thereof shall be marked with the words "Process Butter" and by such other marks, labels, or brands, and in such manner, as may be prescribed by the Secretary of Agriculture.

(i) No statement that is false or misleading in any particular shall be placed on or affixed to any wrapper, label, carton, or container of process or renovated butter.

SEC. 2326. PENALTIES.

* * * * *

(c) FAILURE TO COMPLY WITH PROVISIONS RELATING TO THE MANUFACTURE, STORAGE, AND MARKING OF PROCESS OR RENOVATED BUTTER.—Any person, firm, or corporation violating any of the provisions of section 2325 shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not less than \$50 nor more than \$500 or by imprisonment not less than one month nor more than six months, or by both said punishments *more than \$1,000 or by imprisonment for a period of not more than six months, or by both such fine and imprisonment, in the discretion of the court.*

SEC. 2327. OTHER LAWS APPLICABLE.

(a) OLEOMARGARINE.—The provisions of sections 2301 (c) (2), 2305 to 2311 inclusive (except subsections (a), (b), and (h) of section 2308), and section 3791 (a) (1), shall apply to manufacturers of adulterated butter to an extent necessary to enforce the marking, branding, identification, and regulation of the exportation and importation of adulterated butter.

[(b) INSPECTION OF LIVE CATTLE AND MEAT.—All parts of an act providing for an inspection of meats for exportation, approved August 30, 1890, c. 839, 26 Stat. 414, and of an Act to provide for the inspection of live cattle, hogs, and the carcasses and products thereof which are the subjects of interstate commerce, approved March 3, 1891, c. 555, 26 Stat. 1089, and of amendment thereto approved March 2, 1895, c. 169, § 1, 28 Stat. 732, which are applicable to the subjects and purposes described in section 2325 shall apply to process or renovated butter.

[(c) SLAUGHTERING AND MEAT CANNING.—The sanitary provisions for slaughtering, meat canning, or similar establishments as set forth in the act of June 30, 1906, c. 3913, 34 Stat. 676, shall be extended to cover renovated butter factories as defined in this subchapter, under such regulations as the Secretary of Agriculture may prescribe.]

(d) TOBACCO AND SNUFF.—The provisions of law governing the engraving, issuing, sale, accountability, effacement, and destruction of stamps relating to tobacco and snuff, as far as applicable, shall apply to the stamps provided in section 2321 (c) (1).

Calendar No. 1260

79TH CONGRESS
2^D SESSION

H. R. 3611

[Report No. 1240]

IN THE SENATE OF THE UNITED STATES

MARCH 5, 1946

Read twice and referred to the Committee on Finance

APRIL 24 (legislative day, MARCH 5), 1946

Reported by Mr. LA FOLLETTE, without amendment

AN ACT

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2325 of the Internal Revenue Code, approved
4 February 10, 1939 (53 Stat. 254), is amended to read as
5 follows:

6 “SEC. 2325. INSPECTION OF PROCESS OR RENOVATED
7 BUTTER.

8 “For the purpose of protecting interstate and foreign
9 commerce from process or renovated butter which is unclean,

1 unwholesome, unhealthful, or otherwise unfit for human
2 food—

3 “(a) The Secretary of Agriculture shall, through in-
4 spectors appointed by him, cause inspections to be made of
5 all milk, butter, butter oil, and other ingredients intended for
6 use in the manufacture of process or renovated butter. All
7 ingredients which are found to be putrid or decomposed or
8 which contain organic or inorganic substances which are
9 foreign to such ingredients when properly made, manu-
10 factured, produced, collected, stored, transported, or handled,
11 and which organic or inorganic substances cannot be removed
12 by processing, shall be deemed unfit for use in the manu-
13 facture of process or renovated butter, shall be marked
14 ‘U. S. Inspected and Condemned’, and shall be denatured
15 or destroyed under the supervision of the inspector. All
16 other ingredients shall be marked ‘U. S. Inspected and
17 Passed’, and shall be deemed fit for use in the manufacture
18 of process or renovated butter.

19 “(b) The Secretary of Agriculture shall cause inspec-
20 tions to be made of all process or renovated butter. If such
21 butter is found to be clean, wholesome, healthful, and other-
22 wise fit for human food, it shall be marked ‘U. S. Inspected
23 and Passed’. Process or renovated butter that is found to
24 be unclean, unwholesome, unhealthful, or otherwise unfit

1 for human food shall be denatured or destroyed under the
2 supervision of the inspector.

3 “(c) The Secretary of Agriculture shall cause inspec-
4 tions to be made of all factories wherein process or renovated
5 butter is manufactured to determine the sanitary conditions
6 thereof, and if it is found that the conditions existing in
7 any such factory do not meet the standards prescribed by
8 the Secretary in his regulations, he shall cause inspection
9 to be withdrawn therefrom.

10 “(d) The Secretary of Agriculture is authorized to
11 withdraw inspection from any factory wherein process or
12 renovated butter is made, if the manufacturer shall fail to
13 comply with any of the provisions of this section or with
14 any of the rules and regulations prescribed hereunder.

15 “(e) The Secretary of Agriculture is authorized to make
16 such rules and regulations as he deems necessary for the
17 efficient administration of the provisions of this section, and
18 all inspections hereunder shall be made in such manner as
19 may be prescribed in such regulations. The Secretary of
20 Agriculture may, from time to time, by regulations define
21 the foreign substances and the extent thereof that render
22 the ingredients unfit for use in manufacturing process or
23 renovated butter.

24 “(f) The Secretary of Agriculture shall cause to be

1 ascertained, and he shall report, from time to time, the
2 quantity and quality of all process or renovated butter manu-
3 factured and the character and condition of the materials
4 from which it is made.

5 “(g) No person, firm, or corporation shall forge,
6 counterfeit, simulate, falsely represent, detach, or know-
7 ingly alter, deface, or destroy, or use without proper
8 authority, any of the marks, stamps, labels, or tabs pro-
9 vided for in this section or in any regulations prescribed
10 hereunder by the Secretary of Agriculture for use on process
11 or renovated butter or on wrappers, packages, containers,
12 or cases in which the product is contained, or any certificate
13 in relation thereto.

14 “(h) All process or renovated butter and the packages
15 or containers thereof shall be marked with the words
16 ‘Process Butter’ and by such other marks, labels, or brands,
17 and in such manner, as may be prescribed by the Secretary
18 of Agriculture.

19 “(i) No statement that is false or misleading in any
20 particular shall be placed on or affixed to any wrapper,
21 label, carton, or container of process or renovated butter.

22 “(j) No person, firm, or corporation shall transport,
23 or offer for transportation, or sell or offer for sale, in inter-
24 state or foreign commerce, or in commerce affecting com-
25 merce among the States, any process or renovated butter

1 that has not been inspected and passed and marked, labeled,
2 and branded in accordance with this section and the regula-
3 tions issued hereunder.

4 “(k) The administration and enforcement of the pro-
5 visions of this Act, other than its provisions relating to
6 revenue, but including the seizure and denaturing or destruc-
7 tion of ingredients intended to be used in the manufacture
8 of process or renovated butter and the denaturing or destruc-
9 tion of process or renovated butter, are committed exclusively
10 to the Secretary of Agriculture: *Provided*, That any powers
11 and duties of the Food and Drug Administration of the Fed-
12 eral Security Agency under the Federal Food, Drug, and
13 Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301,
14 and the following), as regards such ingredients before they
15 come into the possession of the manufacturers of process or
16 renovated butter, or as regards such powers and duties in
17 connection with process or renovated butter after it leaves
18 such manufacturers and comes into the hands of wholesale
19 or retail dealers, or others, shall not be affected by this Act.”

20 SEC. 2. Subsection (c) of section 2326 of the Internal
21 Revenue Code (53 Stat. 255) is amended by striking out
22 “shall be punished by a fine of not less than \$50 nor more
23 than \$500 or by imprisonment for not less than one month
24 nor more than six months, or by both said punishments,”
25 and by inserting in lieu thereof the following: “shall be

1 punished by a fine of not more than \$1,000 or by imprison-
2 ment for a period of not more than six months, or by both
3 such fine and imprisonment.”

4 SEC. 3. Section 2327 of the Internal Revenue Code (53
5 Stat. 255) is amended by striking out subsections (b) and
6 (c) of said section.

7 SEC. 4. If any provision of this Act or the application
8 thereof to any person or circumstance is held invalid, the
9 validity of the remainder of the Act and of the application
10 of such provision to other persons or circumstances shall
11 not be affected thereby.

Passed the House of Representatives, March 4, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
2^D Session

H. R. 3611

[Report No. 1240]

AN ACT

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

MARCH 5, 1946

Read twice and referred to the Committee on Finance

APRIL 24 (Legislative day, MARCH 5), 1946

Reported without amendment

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued June 17, 1946
For actions of June 14, 15, 1946
79th-2nd, Nos. 115 and 116

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HIGHLIGHTS: Senate passed bill to authorize condemnation of unfit materials in process or renovated butter; ready for President. Senate passed bill to give forest-range permittees exclusive and perpetual right to grazing permits, to provide for grazing boards, etc. Senate passed bill to promote mineral development on public domain. Senate confirmed nomination of Duggan as FCA Governor. House sent price-control bill to conference. Rep. Voorhis urged diversion of grain from liquor to relieve shortage. Rep. Merrow introduced measure to create committee to investigate U.S. grain and food commitments to foreign countries. President approved bill to give FWA additional powers over buildings and grounds (June 14).

SENATE - June 14

- BUTTER INSPECTION.** Passed without amendment H. R. 3611, to authorize condemnation of unfit materials used in process or renovated butter (p. 7018). This bill will now be sent to the President.
- FORESTRY.** Passed as reported S. 33, to confer upon present users of national-forest range, or purchasers from users, an exclusive and perpetual right to grazing permits, to define the kind of property commensurate with and prerequisite to permitted use of range, to provide for advisory boards in connection with use of range, and to guard against establishment of vested rights in public property (pp. 7017-8).
- MINERALS.** Passed as reported S. 1236, to promote development of oil and gas on the public domain (as amended, does not include USDA land) (pp. 7032-4).
- RECLAMATION.** Passed as reported S. 1672, to authorize transfer to Interior of surplus property of Federal agencies on reclamation projects (pp. 7037-8).
- PULASKI'S DAY.** Passed without amendment H. J. Res. 304, to authorize the President to proclaim Oct. 11, 1946, Pulaski's Memorial Day (p. 7019). This measure will now be sent to the President.
- EMPLOYEES' COMPENSATION ACT.** Passed as reported S. 178, to include osteopaths and chiropractors under this Act (p. 7025).
- TRADE-MARKS.** Passed as reported, and appointed conferees on, H. R. 1654, to

provide for registration and protection of trade-marks (pp. 7026-7).

8. FCA NOMINATION. Confirmed the nomination of Ivy W. Duggan to be FCA Governor (p. 7075).
9. CORPORATIONS. Passed with amendments S. 2223, to establish and effectuate a policy regarding creation of chartering nonprofit corporations by Congress (pp. 7044-7).
10. STATUTE OF LIMITATIONS. Discussed and passed over H. R. 2788, to limit the time during which actions against the U. S. may be brought (p. 7035).
11. ECONOMIC CONCENTRATION. Chairman Murray submitted and discussed a Small Business Committee report on economic concentration and World War II (pp. 7010-12).
12. PRICE CONTROL. Sen. Capper, Kans., inserted statements by the Farm Bureau asking modifications of the Price Control Act (pp. 7010-11).
13. LEGISLATIVE APPROPRIATION BILL. Passed with amendments this bill, H. R. 6429 (pp. 7061-5). Conferees were appointed (p. 7065).
14. 3RD DEFICIENCY APPROPRIATION BILL. Passed with amendments this bill, H. R. 6601 (pp. 7065-73). Conferees were appointed (pp. 7072-3). Sen. Tydings, Md., submitted an amendment to increase the salary of the Comptroller General to \$15,000, but after discussion a point of order by Sen. Taft, was sustained against the amendment (p. 7072).
- 15.

SENATE - June 15

15. D. C. APPROPRIATION BILL. Passed with amendments this bill, H. R. 5990 (pp. 7122-5). Conferees were appointed (p. 7124).
16. BANKRUPTCY. Passed as reported H. R. 4160, to set up a system of full-time, salaried referees under the Bankruptcy Act (p. 7125).
17. INTERIOR APPROPRIATION BILL, H. R. 6335, was made the unfinished business (p. 7125).
18. RECESSED until Tues., June 18 (p. 7126).

HOUSE - June 14

19. PRICE CONTROL. Reps. Spence, Brown, (Ga.) Patman, Barry, Wolcott, Crawford, and Gamble were appointed conferees on H. R. 6042, to amend and extend the Price Control and Stabilization Acts (p. 7077). Sens. Wagner, Barkley, Radcliffe, Downey, Tobey, Taft, and Millikin were appointed conferees on this bill June 13 (p. 6964). Rep. Price, Ill., spoke in opposition to the amendments to the bill (pp. 7100-2).
20. FOREIGN LOANS. The Banking and Currency Committee reported without amendment S. J. Res. 138, to authorize the loan to Great Britain (H. Rept. 2289) (p. 7103).
21. BUILDINGS AND GROUNDS. Passed as reported H. R. 6627, for acquisition of buildings and grounds in foreign countries for the use of the U. S. Government (pp. 7094-5).
22. GRAIN SHORTAGE. Rep. Voorhis, Calif., spoke in favor of his measure, H. J. Res. 325, to prevent the use of grain for the manufacture of alcoholic beverages

for the payment or reimbursement of ferry, bridge, and similar tolls and streetcar, bus, and similar fares paid in connection with such transportation or travel.

SEC. 24. (a) The Secretary of the Navy is authorized to make such expenditures as he may deem appropriate for scientific investigations and research out of and in accordance with naval appropriations available for such purposes.

(b) The Secretary of the Navy is authorized to make such expenditures as he may deem appropriate for promotion and maintenance of the safety and occupational health of, and the prevention of accidents affecting, personnel of the Naval Establishment, including the purchase of clothing, equipment and other materials necessary thereto, and naval appropriations available for the activities in which such personnel are engaged shall be available for the foregoing purposes.

SEC. 25. Without deposit to the credit of the Treasurer of the United States and withdrawal on money requisitions, receipts of public moneys from sales or other sources by officers of the Navy, Marine Corps, and Coast Guard on disbursing duty and charged in their official accounts may be used by them as required for current expenditures, all necessary bookkeeping adjustments of appropriations, funds, and accounts to be made in the settlement of their disbursing accounts.

SEC. 26. The Secretary of the Navy is authorized to expend out of naval appropriations available for construction or maintenance such amounts as may be required for minor construction (except living quarters), extensions to existing structures, and improvements at naval activities, but the cost of any project authorized under this section which is not otherwise authorized shall not exceed \$20,000.

SEC. 27. The Secretary of the Navy is authorized to furnish materials for the manufacture or production by patients of products incident to the convalescence and rehabilitation of such patients in naval hospitals and other naval medical facilities, and ownership thereof shall be vested in the patients manufacturing or producing such products, except that the ownership of items manufactured or produced specifically for the use of a naval hospital or other naval medical facility shall be vested in the Government and such items shall be accounted for and disposed of accordingly.

SEC. 28. The annual appropriations for the pay of the Marine Corps shall be available for the payment of post exchange indebtedness of deserters and personnel discharged or sentenced to terms of imprisonment while in debt to the United States, under such regulations as the Secretary of the Navy may prescribe.

SEC. 29. Proceeds from the sale by the Coast Guard of rations, supplies, uniforms, and other clothing shall be credited to the current appropriations from which purchase of these articles are authorized.

SEC. 30. When personnel of the Navy, Marine Corps, and Coast Guard are ordered to make any permanent change of station motor vehicles owned by them may be transported to their new posts of duty on Government-owned vessels.

SEC. 31. The first sentence of section 10 (a) of the act of June 6, 1940 (54 Stat. 248; 14 U. S. C. 135), is hereby amended by inserting in the first line thereof the words "working parties in the field," after the words "enlisted men of the Coast Guard."

SEC. 32. The Coast Guard may pay rewards for the apprehension and conviction, or for information helpful therein, of persons found interfering in violation of law with aids to navigation maintained by the Coast Guard.

SEC. 33. Existing limitations on the number of enlisted personnel of the Coast Guard who may be detailed for duty in the District of Columbia or at Coast Guard headquarters

shall not apply while the Coast Guard is operating as a part of the Navy.

SEC. 34. The Secretary of the Navy is authorized to provide, out of naval appropriations available for the purchase or manufacture of equipment or material, for the purchase of letters patent, applications for letters patent, and licenses under letters patent and applications for letters patent that pertain to the equipment or material for which the appropriations are made.

SEC. 35. (a) The Secretary of the Navy is authorized, in his discretion and under such rules and regulations as he may prescribe, to pay cash rewards to civilian personnel of the Naval Establishment or other persons in civil life when, due to a suggestion or series of suggestions by them, there results an improvement or economy in manufacturing process or plant or naval material, or in efficiency or economy in the operation or administration of the Navy Department or the Naval Establishment. Such sums as may be awarded to employees in accordance with this section shall be paid them out of naval appropriations in addition to their usual compensation. No employee or other person in civil life shall be paid a reward under this section until he has properly executed an agreement to the effect that the use by the United States of the suggestion or series of suggestions made by him shall not form the basis of a further claim of any nature against the United States by him, his heirs, or assigns.

(b) Except as provided in subsection (a) hereof, civilian personnel of the Naval Establishment shall not be paid any premium or bonus or cash reward in addition to their regular salaries.

(c) The last paragraph appearing on page 718 of volume 40 of the Statutes at Large (5 U. S. C. 416), which is a part of the act of July 1, 1918 (40 Stat. 704), is hereby repealed.

SEC. 36. The Secretary of the Navy, in requesting competitive bids for the construction of naval vessels, shall require each bidder to file with its bid the estimates on which the bid is based.

SEC. 37. The Secretary of the Navy is authorized in time of war to exceed the statutory limit on repairs and alterations of vessels, whenever he deems it necessary.

SEC. 38. The Secretary of the Navy is authorized, out of any naval appropriation made therefor, to provide for (1) the administration by the Navy of liberated and occupied areas; (2) expenses for special compensation and for travel and subsistence of officers and students of Latin American countries, and other expenses deemed necessary by the Secretary for Latin American cooperation; and (3) payment of rewards, not to exceed \$500 in any one instance, for information leading to the discovery of missing naval property or the recovery thereof.

SEC. 39. The authority conferred upon the Secretary of the Navy in this act or in the Pay Readjustment Act of 1942, as now or hereafter amended, except the authority to prescribe regulations, may be delegated by him to such persons in the Naval Establishment and to such extent as he may deem proper, with or without authority to make successive redelegations.

SEC. 40. As used in this act, (a) the term "Naval Establishment" includes the Navy Department, the Marine Corps, and the Coast Guard while operating as a part of the Navy; (b) the term "naval personnel" includes all personnel of the Navy, the Marine Corps, and the Coast Guard while operating as a part of the Navy, including personnel of the Reserve components while on active duty, and personnel of the Coast and Geodetic Survey when serving with the Navy; (c) the term "personnel of the Naval Establishment" includes both civilian (departmental and field) and naval personnel; and (d) the term "Naval appropriations" includes all appropriations for the Naval Establishment,

including those made for departmental purposes.

SEC. 41. The President, in his discretion, is authorized to appoint, by and with the advice and consent of the Senate, graduates of reputable schools of osteopathy as commissioned medical officers in the Navy, in such numbers as the President should determine to be necessary to meet the needs of the naval service for officers trained and qualified in osteopathy.

MANAGEMENT AND ADMINISTRATION OF NATIONAL FOREST GRAZING LANDS

The Senate proceeded to consider the bill (S. 33) relating to the management and administration of national forest grazing lands, which had been reported from the Committee on Public Lands and Surveys, with amendments, in section 1, page 1, line 5, after the word "permittee", to insert "the holder of a 10-year permit", and in line 9, after the word "act", to insert "and who was a holder of such permit on December 31, 1945", so as to make the bill read:

Be it enacted, etc., That in the administration of national forest grazing lands, the Secretary of Agriculture, or his authorized representative, shall not (a) deny any permittee, the holder of a 10-year permit, who has complied with the regulations and instructions to which he may be subject and who owns commensurate property or other facilities, as provided in section 2 of this act, and who was a holder of such permit on December 31, 1945, a renewal of his permit to graze livestock in the national forests, similar as to number and kind of livestock and for national forest grazing land of substantially equivalent grazing quality and accessibility, or (b) reduce the number of permitted livestock upon the transfer by any permittee of livestock, land, or both, unless the Secretary, after according the permittee an opportunity to be heard, finds that such denial of renewal or such reduction is necessary—

(1) to protect such lands from overgrazing;

(2) to preserve public resources thereof from destruction or improvident impairment; or

(3) for the orderly administration of the use or uses to which such lands shall in fact be put for reforestation, recreation, wildlife conservation, mining, public watershed protection, or public water storage and flood control.

In the event of such denial or reduction, the Secretary, upon the request of the permittee, affected, shall set forth in writing the grounds upon which such denial or reduction is based.

SEC. 2. (a) For the purposes of the first section, property shall be considered commensurate if it consists of a recognized livestock operating base which is adequate to support permitted livestock in accordance with the customs of the localities during the period or periods of the year in which grazing upon national forest lands is not authorized, and which is complementary to such national forest lands in comprising a properly balanced year-long livestock operation: *Provided*, That where such grazing is authorized during the entire year, property shall be considered commensurate for such purposes if it consists of suitable headquarters and ranch or range improvements, or other facilities.

(b) The Secretary of Agriculture is authorized to promulgate regulations and instructions fixing such additional standards for each area containing national forest lands as may be necessary and proper for the purpose of determining whether property or the facilities are adequate and suitable for the purposes specified in subsection (a).

SEC. 3. (a) To provide national forest grazing permittees means for the expression of their recommendations concerning the management and administration of national forest grazing lands, a local advisory board shall be constituted and elected as hereinafter provided for each national forest or administrative subdivision thereof whenever a majority of the grazing permittees of such national forest or administrative subdivision so petitions the Secretary of Agriculture. Each elected local advisory board existing for such purpose at the time of the enactment of this act, and recognized as such by the Department of Agriculture, shall continue to be the local advisory board for the unit or area it represents, until replaced by a local advisory board or boards constituted and elected as hereinafter provided.

(b) Each such local advisory board shall be constituted and elected under rules and regulations, consistent herewith, now or hereafter approved by the Secretary of Agriculture, and shall be recognized by him as representing the grazing permittees of the national forest or administrative subdivision thereof for which such local advisory board has been constituted and elected.

(c) Each such local advisory board shall consist of not less than 3 nor more than 12 members, who shall be national forest grazing permittees in the area for which such board is constituted, elected, and recognized. In addition, a wildlife representative may be appointed as a member of each such board by the State game commission, or the corresponding public body of the State in which the advisory board is located, to advise on wildlife problems.

(d) Each such local advisory board shall meet at least once annually, at a time to be fixed by such board, and at such other time or times as its members may determine, or on the call of the chairman thereof or of the Secretary of Agriculture or his authorized representative.

SEC. 4. Upon the request of any party affected thereby, the Secretary of Agriculture, or his duly authorized representative, shall refer to the appropriate local advisory board for its advice and recommendations any matter pertaining to (a) the modification of the terms, or the denial of a renewal of, or a reduction in, a grazing permit, or (b) the establishment or modification of an individual or community allotment. In the event the Secretary of Agriculture, or his duly authorized representative, shall overrule, disregard, or modify any such recommendations, he, or such representative, shall furnish in writing to the local advisory board his reasons for such action.

SEC. 5. (a) At least 30 days prior to the issuance by the Secretary of Agriculture of any regulation under this act or otherwise, with respect to the administration of grazing on national forest lands, or of amendments or additions to, or modifications in, any such regulation, which in his judgment would substantially modify existing policy with respect to grazing in national forests, or which would materially affect preferences of permittees in the area involved, the local advisory board for each area that will be affected thereby shall be notified of the intention to take such action. If as a result of this notice the Secretary of Agriculture shall receive any recommendation respecting the issuance of the proposed regulation and shall overrule, disregard, or modify any such regulations, he or his representative shall furnish in writing to the local advisory board his reasons for such action.

(b) Any such local advisory board may at any time recommend to the Secretary of Agriculture, or his representative, the issuance of regulations or instructions relating to the use of national forest lands, seasons of use, grazing capacity of such lands, and any other matters affecting the administration of grazing in the area represented by such board.

SEC. 6. Nothing in this act shall be construed as limiting or restricting any right,

title, or interest of the United States in any lands or resources.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1847) to amend the act of May 19, 1926 (44 Stat., pt. 2, p. 565), as amended by the act of May 1935 (49 Stat. 218), providing for the detail of United States military and naval missions to foreign governments, was announced as next in order.

Mr. CORDON. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

EXTENSION OF TERM OF DESIGN PATENT GRANTED TO GEORGE BROWN GOODE

The bill (H. R. 5896) to extend the term of design patent numbered 21,053, dated September 22, 1891, for a badge, granted to George Brown Goode, and assigned to the National Society, Daughters of the American Revolution, was considered, ordered to a third reading, read the third time, and passed.

LOTS ACQUIRED BY SETTLERS IN WADSWORTH, NEV.

The bill (S. 1979) to eliminate the restriction on the number of lots which may be acquired by settlers in the town site of Wadsworth, Nev., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to issue a patent, pursuant to applicable laws, to any qualified settler in the town site of Wadsworth, Nev., for more than two lots in that town site as surveyed and platted, notwithstanding the restriction contained in section 2382 of the Revised Statutes. No patent heretofore issued to any settler in the town site for more than two lots shall be vacated or annulled on the ground that it covers more than two lots.

ACQUISITION OF CERTAIN REAL PROPERTY IN THE DISTRICT OF COLUMBIA

The bill (S. 1640) to provide for the acquisition by the United States of certain real property in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to acquire on behalf of the United States, by purchase or otherwise, the tract of land consisting of parcels 251/42 and 251/64 in the District of Columbia, together with the improvements thereon, such tract fronting on Chesapeake Street, Second Street, and Nichols Avenue SW., and the premises being known as 199 Chesapeake Street SW., in order to eliminate hazards to life and property resulting from frequent flights directly over the dwelling house upon such property by aircraft taking off from and landing at Bolling Field. Any appropriation available to the War Department for the acquisition of real property shall be available for carrying out the provisions of this act.

CONVEYANCE OF TITLE TO CERTAIN SPACE IN JACKSON (MISS.) CITY HALL

The bill (S. 1161) authorizing the conveyance of all right, title, and interest of the United States in and to certain space in the Jackson (Miss.) City Hall was con-

sidered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Federal Works Administrator is authorized and directed to convey by quitclaim deed to the city of Jackson, Miss., all of the right, title, and interest of the United States in and to certain rooms in the city hall in Jackson, Miss., conveyed by the mayor and aldermen of said city to the United States under deed dated February 15, 1856.

DISPOSITION OF CERTAIN REAL ESTATE IN POLK COUNTY, ARK.

The bill (H. R. 2677) to authorize the Federal Works Administrator to accept and dispose of real estate devised to the United States by the late Maggie Johnson, of Polk County, Ark., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1271) to provide for cooperation with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry was announced as next in order.

Mr. WHITE. Let the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 5433) to amend section 540 of title 10, and section 441 (a) of title 34 of the United States Code providing for the detail of United States military and naval missions to foreign governments was announced as next in order.

Mr. CORDON. Let the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

CONDEMNATION OF CERTAIN FOOD PRODUCTS

The bill (H. R. 3611) to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 307) to authorize the use of naval vessels to determine the effect of atomic weapons upon such vessels was announced as next in order.

Mr. HUFFMAN. Let the joint resolution go over.

The ACTING PRESIDENT pro tempore. The joint resolution will be passed over.

Mr. BARKLEY. Mr. President, in that connection I wish to state that when the call of the calendar is finished I understand that the Senator from Massachusetts [Mr. WALSH] desires to take up the bill.

Mr. HUFFMAN. That is satisfactory.

ATTENDANCE OF MARINE BAND AT NATIONAL CONVENTION OF UNITED STATES SPANISH WAR VETERANS

The bill (H. R. 5641) to authorize the attendance of the Marine Band at the national convention of the United Spanish War Veterans to be held in Milwaukee, Wis., August 4 to 10, inclusive, 1946, was announced as next in order.

Mr. WALSH. Mr. President, I think until later in the day this bill should go

[PUBLIC LAW 427—79TH CONGRESS]

[CHAPTER 459—2D SESSION]

[H. R. 3611]

AN ACT

To authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2325 of the Internal Revenue Code, approved February 10, 1939 (53 Stat. 254), is amended to read as follows:

“SEC. 2325. INSPECTION OF PROCESS OR RENOVATED BUTTER.

“For the purpose of protecting interstate and foreign commerce from process or renovated butter which is unclean, unwholesome, unhealthful, or otherwise unfit for human food—

“(a) The Secretary of Agriculture shall, through inspectors appointed by him, cause inspections to be made of all milk, butter, butter oil, and other ingredients intended for use in the manufacture of process or renovated butter. All ingredients which are found to be putrid or decomposed or which contain organic or inorganic substances which are foreign to such ingredients when properly made, manufactured, produced, collected, stored, transported, or handled, and which organic or inorganic substances cannot be removed by processing, shall be deemed unfit for use in the manufacture of process or renovated butter, shall be marked ‘U. S. Inspected and Condemned’, and shall be denatured or destroyed under the supervision of the inspector. All other ingredients shall be marked ‘U. S. Inspected and Passed’, and shall be deemed fit for use in the manufacture of process or renovated butter.

“(b) The Secretary of Agriculture shall cause inspections to be made of all process or renovated butter. If such butter is found to be clean, wholesome, healthful, and otherwise fit for human food, it shall be marked ‘U. S. Inspected and Passed’. Process or renovated butter that is found to be unclean, unwholesome, unhealthful, or otherwise unfit for human food shall be denatured or destroyed under the supervision of the inspector.

“(c) The Secretary of Agriculture shall cause inspections to be made of all factories wherein process or renovated butter is manufactured to determine the sanitary conditions thereof, and if it is found that the conditions existing in any such factory do not meet the standards prescribed by the Secretary in his regulations, he shall cause inspection to be withdrawn therefrom.

“(d) The Secretary of Agriculture is authorized to withdraw inspection from any factory wherein process or renovated butter is made, if the manufacturer shall fail to comply with any of the provisions of this section or with any of the rules and regulations prescribed hereunder.

“(e) The Secretary of Agriculture is authorized to make such rules and regulations as he deems necessary for the efficient administration of the provisions of this section, and all inspections hereunder shall be made in such manner as may be prescribed in such regulations. The Secretary of Agriculture may, from time to time, by regulations define the foreign substances and the extent thereof that render the ingredients unfit for use in manufacturing process or renovated butter.

“(f) The Secretary of Agriculture shall cause to be ascertained, and he shall report, from time to time, the quantity and quality of all process or renovated butter manufactured and the character and condition of the materials from which it is made.

“(g) No person, firm, or corporation shall forge, counterfeit, simulate, falsely represent, detach, or knowingly alter, deface, or destroy, or use without proper authority, any of the marks, stamps, labels, or tabs provided for in this section or in any regulations prescribed hereunder by the Secretary of Agriculture for use on process or renovated butter or on wrappers, packages, containers, or cases in which the product is contained, or any certificate in relation thereto.

“(h) All process or renovated butter and the packages or containers thereof shall be marked with the words ‘Process Butter’ and by such other marks, labels, or brands, and in such manner, as may be prescribed by the Secretary of Agriculture.

“(i) No statement that is false or misleading in any particular shall be placed on or affixed to any wrapper, label, carton, or container of process or renovated butter.

“(j) No person, firm, or corporation shall transport, or offer for transportation, or sell or offer for sale, in interstate or foreign commerce, or in commerce affecting commerce among the States, any process or renovated butter that has not been inspected and passed and marked, labeled, and branded in accordance with this section and the regulations issued hereunder.

“(k) The administration and enforcement of the provisions of this Act, other than its provisions relating to revenue, but including the seizure and denaturing or destruction of ingredients intended to be used in the manufacture of process or renovated butter and the denaturing or destruction of process or renovated butter, are committed exclusively to the Secretary of Agriculture: *Provided*, That any powers and duties of the Food and Drug Administration of the Federal Security Agency under the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C., 1940 edition, 301, and the following), as regards such ingredients before they come into the possession of the manufacturers of process or renovated butter, or as regards such powers and duties in connection with process or renovated butter after it leaves such manufacturers and comes into the hands of wholesale or retail dealers, or others, shall not be affected by this Act.”

SEC. 2. Subsection (c) of section 2326 of the Internal Revenue Code (53 Stat. 255) is amended by striking out “shall be punished by a fine of not less than \$50 nor more than \$500 or by imprisonment for not less than one month nor more than six months, or by both said punishments,” and by inserting in lieu thereof the following: “shall be punished by a fine of not more than \$1,000 or by imprison-

ment for a period of not more than six months, or by both such fine and imprisonment."

SEC. 3. Section 2327 of the Internal Revenue Code (53 Stat. 255) is amended by striking out subsections (b) and (c) of said section.

SEC. 4. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons or circumstances shall not be affected thereby.

Approved June 24, 1946.

